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They Feed The Public

—Photo by Nott & Merrill.

John Finlay Paterson this week was elected president of the Canadian Restaurant Association, representing 9,000 restaurants which last year did a record-breaking $274 millions business. Former banker, later vice-president and general manager of Muirhead cafeteria chain, Mr. Paterson owns the Belmont Restaurant at Sarnia.

THE NATION'S BUSINESS

Real Tax Clean-Up Due in This Budget

The Ottawa tax troops are at work these days scheming up the budget for the end of the month.

Surely the time has arrived for some honest-to-goodness clean-up of the tax system.

Much has been done to improve its administration in recent years. The last couple of budgets have nibbled at the reform job and have made some long-overdue changes. But a great deal remains to be done.

Why not do it now?

The kind of clean-up we refer to is not primarily a change which will reduce anybody's tax liability, though that would be the result in some cases of obvious inequity.

What we want to get rid of are tax regulations which discourage men being energetic and enterprising. The whole community is impoverished when anybody finds it more profitable —after he pays his taxes — to have done nothing.

The whole community benefits — and the public coffers are enriched — when the tax system encourages — or does not discourage — productivity, risk-taking, the undertaking of new ventures.

J. H. Brace, chairman of the executive committee, Chamber of Commerce, last week signed a brief which lists tax changes to which the Government should give its most sincere consideration.

Last year's 10% tax credit on stock dividends was proposed as a "first step" in getting rid of double taxation. Let's get ahead with ending double taxation entirely.

Canada's only hope of maintaining its high standard of living and of supporting proliferating social security and other expenditures is continually expanding industry, creating new jobs and new wealth. Mobilizing the savings of the thousands by making investment attractive is good business for Canada —and the public treasury.

Equal taxation of all business enterprises, whether corporate or co-operative, privately, publicly or government-owned is another CofC recommendation. There is no good argument for not doing so. The tax-exempt merely add to the load on others who aren't. They operate on a hidden subsidy which bamboozles them and the public too.

There are a dozen other rather special tax regulations on which the CofC makes a good case for reform.

If the predominant government view was that it is a heinous offense to have done some saving and that tax law is a contrivance for extracting savings wherever they can be found, then retaining the tax law in its present form would be understandable.

If plunder is not the policy of the present Government, then let's have some changes in the new budget. The present situation is particularly auspicious for getting this work done and for installing a tax system which will encourage growth, not decline.

Sumner Slichter of Harvard has wise advice for officials presented with briefs like that of the CofC.

He said: "Most groups in the community are not much interested in production. Their concern is with the distribution of income and their proposals usually relate to ways of changing distribution . . . By and large, business managers are the most reliable and most consistent friends of more production in the community. Hence an increase in the influence of businessmen upon policy would help the community meet the need for an enormous increase in output."

* * *

'Proceed With Caution'

C. Gordon Cockshutt of Cockshutt Plow, chairman of the committee of businessmen which recently visited Britain to talk trade problems, came out last week with the suggestion that Canada should assume part of the burden of Britain's wartime sterling balances. He pointed out that these balances were an important factor in hindering convertibility and that it was in Canada's interest "to join with other wartime allies in assuming responsibility for part of this indebtedness."

These balances are indeed a root cause of the continuing world trade trouble. The total of Britain's so-called "unrequited exports" in recent years has been one quarter of her entire export trade. They represent exports for which Britain receives no comparable import. Thus they inflate the buying power of nondollar areas and to that extent drain British goods into these areas and away from dollar markets.

What to do about these balances was a key problem discussed at Washington last September. It has since been under review repeatedly by Canadian, British and U. S. officials.

No solution would be worth while unless it met these three points:

1. It must curb both the drain of the sterling balances and the huge flow of British capital investment into these nondollar countries.
2. No solution would be feasible for Canada that did not originate in the United States and for which the U. S. did not take major responsibility.
3. Canada has presently so small a balance in her international accounts that there are very definite limits to what we could do in any event.

This is a problem of very real concern to all Canadians. But we must not exaggerate the extent to which we can be of help, nor underestimate the difficulties.

Mr. Cockshutt should get credit for raising this problem. But this country should tread carefully before grasping at a solution.

Will Wage Demands Hurt Our Exports?

Uncertainies in Pulp And Paper And Lumber Fields Are Highlighted By Demands Of Mill, Bush Workers, Due For Settlement Soon

By RONALD WILLIAMS

With the wage contract deadline in the pattern-setting basic steel industry still two weeks away (April 1) unions in the important dollar-earning pulp and paper industry were carrying labor's ball this week.

In Vancouver, 5,000 pulp and paper workers scored the first major 1950 wage gain: an increase of 6c across the board, giving them a basic rate of $1.12 an hour. Significantly, the same unions settled last year without a raise.

At the same time, Ontario and Manitoba branches of the same unions were meeting in Port Arthur to sort out wage demands which will shortly be submitted to Eastern operators. Existing contracts expire around May 1, as do B. C. agreements

If recent history is any guide, Eastern unions will demand what the West got. Last year for example, they followed the West's lead and settled without a raise.

Meanwhile, B. C. loggers were getting ready to strike if necessary to push demands for a 17c hourly raise. In the East, the Communist-run bush workers' union was biding its time to see what the pulp and paper union would go after.

The pulp and paper industry has just recovered from a slight case of economic jitters. B. C. was looking forward to its best lumber year in a long time.

Loss of European markets because of dollar shortages and tightening up U. S. buying hit some sections of the pulp and paper industry. This explains the readiness of labor to accept a no-raise contract last spring.

Since then, the market has come back. U. S. demand is almost as strong as ever. Last year, in some cases it fell off sharply as customers pulled in their horns and dug into their inventories. They ran them down too low and now are trying to build them up again.

In one or two cases, this means capacity operation in 1950. Newsprint is one, but to maintain it, the industry believes prices must be held. Whether they can be if wages go up is the question causing considerable concern today.

The B. C. settlement is probably as good a preview as any of what 1950-51 labor cost picture will be like. It covers 5,000 inside workers and gives them a basic rate of $1.12 an hour. They also get improved vacation privileges and other minor concessions. Unions involved are the AFL Paper Makers and the Pulp Sulphite and Paper Mill Workers.

Communist Tossed Out

In Port Arthur, where Ontario and Manitoba branches of the same unions met to draw up their demands, the importance of the conference was almost lost in a side-issue involving a Communist, Bruce Magnuson. He is boss of the strategically important Lumber and Sawmill Union (loggers). He got into the meeting as an "alternate delegate." His aim: to try to reach some agreement with the other unions on joint bargaining. In the past his union has negotiated separately.

The conference didn't spurn Mugnuson's idea; they just refused to have anything to do with Magnuson's idea; they just rebecause he was an "avowed communist."

"We definitely do not want to have anything to do with the avowed Communists or with Communism in any form," said Conference Chairman Neil Duncan. "(But) we are prepared to deal sympathetically with non-Communist representatives of the union."

In view of the stranglehold the

(Continued on page 3, col. 1)

Ontario Natural Gas Plan At Stake in U.S. Hearings

Federal Power Commission hearings now going on in Washington can have far-reaching implications for Canadians, particularly those living in the Great Lakes section of Ontario.

The F.P.C. decision on Panhandle Eastern Pipeline Co.'s application for permission to construct a natural gas trunk line from the southwestern part of Texas to its line at Tuscola, Ill., will determine when Texas natural gas is likely to reach the Ontario markets in large quantities.

Union Gas Co. of Canada already has an option with the Panhandle Company for importation of enough gas to supply indicated Ontario markets. Delivery of gas is contingent, however, on construction of additional pipeline facilities from Texas fields to Detroit, at which point the Union Company would take delivery. (Union has been taking small, irregular shipments from Panhandle under the Detroit River on a previous smaller contract.)

Union last fall announced a plan whereby Texas gas could be supplied to Toronto, Hamilton, Windsor and other large communities. Company representatives in the larger market areas such as Consumer's Gas Co. in Toronto, United Gas & Fuel in Hamilton and the Dominion Natural Gas Co. are believed to have completed preliminary studies on the advisability of the plan and how it would fit in with their own markets. The Financial Post understands that the plan has been found to be feasible and capable of expanding substantially the market for natural gas in the Ontario area, particularly in the house-heating field. Some planners even see possibility of a line as far east as Montreal.

Everything, of course, rests on F.P.C.'s' decision. Panhandle proposes a trunk line with a daily capacity of 250 million cu. ft. This could be upped to 375 million cu. ft. by addition of extra compression stations. Panhandle has indicated that 50% of this extra gas has already been allocated for sale and that some of it would go to Union Gas Co. At conclusion of trunk line hearing, the F.P.C. will hear Panhandle's second application, for permission to raise capacity of its pipeline from Tuscola to Detroit.

It is known that at least one other large U. S. gas company has its eyes on the rich Ontario market. Its plans would be to export gas from the Buffalo area. But additional pipeline facilities would be necessary here as well and construction of extensive storage tanks, likely on the Ontario side. Union Gas, on the other, is believed to have sufficient storage space in its old Dawn field area to store enough gas for total Toronto market for one year.

PRICES

Steel prices are not expected to rise, in spite of the coal price hikes in the U. S. Smelters have coal, other supplies stockpiled months ahead; any price rise would not likely come till third or fourth quarter of 1950 here. U. S. steel producers have announced price rises will not take place in U.S. although some steel firms there were scrambling for poor coal at high prices during the coal strike. Any other cost rises could move the U. S. price up; some firm leaders are urging higher prices.

Lead price fell twice in a week. Second drop to 11.50c lb. was from 12.125c., point touched after initial half cent fall. Canadian lead, from Trail, B.C., is priced according to New York market, with exchange difference. New York lead fell from 11.5c to 11c., then to 10.5c. Drop there said owing to falling demand, inroads of German, Yugoslavian, other foreign lead. Paint demand for lead could revive with lower price.

Hog prices are showing rising pressure. This is owing to high beef prices, maybe to lower egg prices too. Consumer trend to pork products indicated in prices passing $28 cwt. at Toronto for Grade A hogs has cut flow of bacon to export. Expected January, February quotas to fill subsidized U.K. bacon contract were not met. Domestic switch to ham, bacon and eggs said taking place.

Australian raisin prices for delivery in late spring, early summer are 3c. to 4c. below prices for last fall's California raisin crop. California crop has been about 15c lb. at Toronto.

BC Lumbermen Too Busy To Fill UK Order

From Our Own Correspondent

VANCOUVER — British Columbia lumber mills, which were crying for orders last summer, are now too busy to fill the latest British order for $10 millions. Delivery on this order was required by the end of June and British Timber Control has now asked for new tenders for May-September delivery.

Two reasons are given for inability to meet the earlier deadline:

1. The British stalled too long in asking for the lumber, according to one of the largest export firms;
2. A deluge of orders from U. S. for two to four months ahead as a result of an upsurge in U. S. building activity.

Also, the abnormal winter conditions in January and February slowed mill activity to a crawl.

The B. C. mills expect to be able to fill the revised British order —to be paid for in ECA dollars —providing a strike or some other calamity doesn't interfere.

The order is for 135 million board feet in building sizes, timbers, railway ties and some clear sizes.

The big increase in U. S. orders is viewed here as an indication that U. S. may now have replaced U. K. as B. C. lumber's biggest market. Washington and Oregon mills also were apparently too busy to bid for the U. K. order.

25-Cent Jap Shirts Likely To Cost Importers Plenty

OTTAWA (Staff) — Heavy purchases of cheap Japanese cotton textile goods made by Canadian importers recently may cost them plenty.

Immediate steps taken by the Government to meet this sudden and embarrassing deluge are understood to include substantial additional imposts on these goods which have since been offered at Canadian retail counters at "fire-sale" prices.

These goods arrived at Canadian customs ports with invoiced values so absurd that National Revenue appraisers immediately ruled that the declared values would not be accepted since they constituted a clear and flagrant case of dumping. Examples: shirts, 25c.; children's dresses, 15c., aprons a few cents each.

While this action by the appraisers is believed to have checked further similar imports it did not prevent these particular goods from coming in. And the question now arises: Will the importer have to pay the additional imposts Ottawa will require? (This happened recently when values on Jap wool mitts were reappraised.)

Substantial Quantities

Had the government appraisers not acted as they did it is believed here that the flood of cheap Jap cotton from this particular source would have been many times larger.

As matters now stand the quantities involved are very substantial. (Trade reports suggest that the greater part of a shipment of 700,000 shirts was earmarked for Canada.)

Even if the goods in question had been reappraised at four or five times the original declared values they would still have been entering at prices far below anything of a class or kind that could be produced in Canada.

As matters now stand authorities here believe that this was a one-time sale that won't be repeated as long as U. S. authorities have control of Jap exports.

One point about some of the merchandise offered is that it is of poor quality against Canadian standards. One Canadian retailer is said to have offered the so-called "brother and sister" shirts for $1.39, then reduced the price to $1.19 and subsequently to $1.

There's genuine anxiety in the Cabinet to encourage maximum trade with all countries — including ex-enemy nations and when a trade mission headed by External Affairs Minister Lester B. Pearson visited Tokyo, assurance was given that the days of Jap "slave-labor" merchandise were over and that Japan was producing high-quality goods at reasonable prices.

Despite these assurances of good faith, a close watch has been kept here on Jap items which might cause concern such as thermos bottles, electric irons, inner tubes for bicycles, etc.

Lack of Lake Passenger Ships To Cost Canada U. S. Dollars

The capacity of Canada's tourist industry to earn U. S. dollars will take a body blow this summer.

Where, a few years ago, six passenger ships cruised the Great Lakes, from Sarnia and Port McNicol to Port Arthur and Fort William, this summer there will be out two, with a combined passenger capacity of 564.

That's the situation as it stands now. That's how our Great Lakes passenger fleet, which once carried thousands of U. S. passengers during the summer holiday season, has dwindled through catastrophe and old age.

The two boats operating will be the CPR's passenger-freight vessels, Keewatin and Assiniboia, each of 282-passenger capacity. The CP's Manitoba, built in 1889, has been retired from passenger service.

The CPR plans to operate its two boats from June 3 to Sept. 9 this season, with the first boat leaving Saturday, June 3.

Owen Sound Transportation Co. has a new boat under construction at Collingwood Shipyards, Ltd. which is expected to be delivered about May 1.

This boat, the S.S. Norgoma—will carry 100 passengers and will operate for five day cruises from Owen Sound to Sault Ste. Marie and return starting June 5.

Canada Steamship Lines will not be operating any passenger boats on the Upper Lakes; will not be operating the S.S. Kingston from Toronto to Rochester, and is awaiting final word from the Federal Government in Ottawa as to whether it can operate the Cayuga from Toronto to Niagara Falls.

CSL had previously operated the Noronic, Hamonic and Huronic on the Sarnia to Lakehead run. The Huronic was scrapped several years ago, Hamonic burned at Point Edward in 1947 and Noronic was destroyed by fire at Toronto last fall.

Plastics Tariff Draft is Ready

OTTAWA (Staff) — When Canadian plastics industry leaders meet the Tariff Board next Monday for the opening of hearings to set new tariff rates on plastics they will be handed a completely new draft schedule for plastics, but no rates will be suggested.

The Board plans to adjourn hearings immediately after to give the industry a chance to study the draft in detail. From later hearings, at which the industry will state its case in detail, will emerge the Board's recommendations for a new set of rates.

New Financing Sets Records

Here's Score For First Two Months of 1950

By W. L. DACK

Current activity in the nation's money markets provides a sharp rebuff to business gloom-spreaders. New money financing is being sought — and supplied — at a record peacetime clip. Underlying the expenditure splurge is a still unimpaired belief in continuance of Canada's accelerated rate of growth.

In the first two months of 1950, Canadian municipalities and business corporations came to the loaning houses with neatly-drawn-up plans for spending $80 millions on improved and expanded plant and services. This represents a 100% increase on part of municipalities over same period last year, a 67% boost for corporations.

"I've never seen so much activity in the corporation financing market as there is at present," an official of one of Canada's largest investment houses told The Financial Post this week. "What's more, there are many more new issues being readied for the near future."

So far, oil companies and public utilities are leading the race to the borrowing institutions. Faced with an entirely new and expanded outlook these businesses are undergoing revolutionary changes. In nearly every case, current financing is just part of a longer expenditure and expansion program to extend over several years. Over three quarters of the new money requirements have been met by issues of medium- to long-term bonds.

Fortunately, at a time when need is greatest, the big loaning institutions — banks and insurance companies — still find themselves with amply-filled tills. Record public savings in banks, new highs in insurance in force and new insurance written — all these have provided the institutions with the wherewithal for financing a large part of Canada's municipal and corporation expansion programs. Although NHA and private mortgages have siphoned off a considerable part of this capital during the last two years, many institutions are now looking increasingly to other investment channels. Excellent rate of monthly mortgage loan repayments is also providing many insurance companies with a mounting flow of capital from this field for re-investment.

The current improved tone in the financing market really started last summer when U. S. business indices started to turn up—thereby confounding all the forecasts of the business pessimists. The stock market started its memorable climb which persisted until early this year (even yet all one may say is that the move has flattened out). At the same time federal government bond prices strengthened.

RECORD OF NEW FINANCING
($ millions)

	1950 to Mar. 6	1949 to Mar. 7	1948 to Mar. 8
Gov. of Can.	$1,275.0	$950.0	$1,275.0
Gov. of Can. guar.	40.0	....	....
Provincial	32.4	51.2	14.5
Provincial guar. ..	55.0	7.6	35.0
Municipal	21.4	10.2	5.2
Corporation	58.2	34.8	85.6
Totals*	1,482.0	1,053.8	1,415.3

*Includes $950,000,000 short-term financing (less than one year).
Figures supplied by A. E. Ames.

World Gets Ready For Tariff Battle

"Welfare State" Nations Use Geneva Clauses To Sidestep Agreements — Will Third Round In Sept. Force Canada Into New Treaties?

By KENNETH WILSON

OTTAWA (Staff)—The most important and critical tariff negotiations in Canadian commercial history now loom ahead for Canada at the world conference called for Torquay, England at the end of September.

This is the so-called "third round" of negotiations which started in Geneva in 1947. For the first time, Germany will be a negotiating country. United States is also anxious to include Japan.

In addition to a last and probably final attempt to squeeze major concessions from United States under remaining presidential powers, it is now believed that the entire framework of tariff schedules worked out at Geneva in 1947 will be up for review.

The Geneva schedules come up for renewal in any event on Jan. 1, 1951. After that date, any signatory nation to the Geneva agreement may withdraw on six months' notice. Tariff negotiations already sought by Britain, tions already sought by Britain, Canada and United States for discussion at Torquay, indicate that the entire Geneva program will be thrown into the melting-pot in September.

Face Other Problems

In addition, the meeting is expected to face directly into the question of discrimination, quantitative restrictions and other trade blocs which have settled into world commerce since the war.

Since mid-February, representatives of leading world trading nations have been meeting at Geneva to lay the groundwork for this "third round" conference.

One initial decision which caused some controversy was a meeting place for these deliberations. Geneva was apparently vetoed because of lack of sufficient office space. Attractive offers from Cannes and Monte Carlo were ruled out because it was felt there would be too many distractions. The compromise was the Southern England coast town of Torquay.

Apart from decision as to a meeting place, the recent talks at Geneva have come directly to grips with some of the harsh, unpleasant facts of world trade in 1950; chiefly the fact that post-war dislocations which were looked on in 1947 as temporary, have now become more or less permanent.

Put another way, the "escape clauses" which were necessary at Geneva in 1947 to meet what were thought then to be temporary and emergency conditions, are now being used by individual nations to maintain "full employment" and the needs of the "welfare state."

Escape Clauses are Props

This means that we're facing more rigidities and restrictions now than at any time in the past, and many of them are being propped up by the escape clauses which were to be the exception and not the rule under the Geneva framework.

Every country, therefore, will have to face at Torquay a showdown on the Geneva agreements.

This will mean weighing specific tariffs concessions against quotas and other quantative restrictions.

It means deciding whether or not the 30-odd nations want to continue and extend the tariff concessions of 1947, and whether these are worth having, in light of the other rigidities which have crept into world trade.

For Canada, the importance of tariff concessions obtained by us at Geneva in terms of the U. S. market in particular is only now being recognized. One price we have had to pay for these concessions has been adherence to the principle of nondiscrimination against U. S. goods.

At a time when we would have liked to ease import restrictions against nondollar goods, and increase tariffs or restrictions on

(Continued on page 3, col. 3)

Inside News

Shipyard Jobs
What's ahead for the Canadian shipbuilding industry in 1950? How far will government orders offset the collapse of merchant tonnage orders since devaluation? (p. 15).

Labor A Friendly Partner
Sweden is the most completely unionized country in the world and labor strife is rare. Disputes are settled in a unique labor court, workers, management are in friendly partnership. Another special article from Stockholm (p. 15).

Trade Fair Preview
How's the third Canadian International Trade Fair shaping up? What new opportunities will it present for the Canadian businessman? Here's a preview of this important event (p. 7).

Your Income Tax
Are you sure you know how you stand under the Income Tax Act if you are getting income from: investments, rentals, legacies; how the clauses on capital cost allowance, annuities, redemptions of stock at premium may affect you? Another in The Post series, Your Personal Income Tax (p. 18).

'Prestige' Authors
What Canadian authors have brought the most prestige to Canada in the last 50 years? Post readers name them. Question (p. 8).

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Pace of Business

Department store sales increased 6% in week ended March 4 over same week last year, in preliminary figures. All provinces showed increases except Ontario, which saw 1% drop.

Carloadings for week ended Mar. 4 were 71,552 cars, rise of 1,532 over previous week but 1.5% below corresponding week of 1949.

Margarine production passed butter production for first time on record, in February. Margarine hit 8.646 million lb., butter rose slightly over same month last year to 8.494 million lb.

Wool production in Canada excluding Newfoundland was 9.8 million lb. in 1949, a decrease of 17.5% from 11.9 million lb. in 1948, and only about 50% of peak year, 1945.

Beer production rose to 456,000 bbls. in January, compared with 440,100 bbls. same month last year. Distilled liquor stocks were up at the end of January over same date in 1948, hitting 76.4 million gallons.

Stocks of meat held by packers, wholesale butchers, cold storage warehouses, dropped to 55.1 million lb. Mar. 1, compared with 56.9 million lb. Feb. 1, 74.4 million lb. corresponding date last year.

Asphalt floor tile production in January amounted to 1.5 million sq. ft, against 1.3 million sq. ft. same month last year. It was down less than 1% from December, 1949.

Raw sugar stocks Jan. 31 were 100.3 million lb., an increase over 125.5 million lb. same date last year, but refined sugar stocks were down to 212.9 million lb. from 220 million lb.

Air carrier revenue was $2.8 millions for November, 1949, increase of 19.9% over same month previous year.

Poultry on farms, excluding Newfoundland, hit 42.4 million head Dec. 1, 1949, 6.8% more than same date previous year.

Cigarettes and plug tobacco released for consumption increased in January over January of 1949. Figures were down from December, as usual. January releases were 1,408 million cigarettes, compared with 1,262 million same month last year. Cigars released decreased by 3 million to 14.1 million.

EATON'S

LUGGAGE...

for Easter Vacationing

The smart Easter Look in men's luggage is EATON'S new two handle, 'Narrow One Suiter' . . . one side is narrower than the other to facilitate carrying (no knee bruises). Made from Analine Dyed leather or smooth Top Grained Cowhide, it features sturdy Irish linen lining and zippered flaps and accessories pocket, reinforced corners, solid brass fittings and Non-scuff bottom studs. A 'One Suiter' that a man will appreciate for Easter travelling and for many years to come. See it at

the 'ONE SUITER'
Size: 23½" long, 18" deep by 7" wide.

EATON'S

Need Higher Rate By June 1 To Meet Dividend—Bell Tel.

MONTREAL (Staff)—If Bell Telephone's proposed increases in rates are approved effective June 1, undivided profits after payment of dividends in 1950 will total $454,000. Net profit would be $2.06 per common share, or only slightly over its regular $2 dividend rate.

That's the estimate of company earnings for the current year made by its comptroller, John Cleugh, at the rate hearings now under way before the Board of Transport Commissioners. It assumed continuance of monthly losses of $500,000 in the first five months (company showed a deficit of $470,000 in January Mr. Cleugh testified).

With $252 millions required in the next three years to carry out its construction program, the company planned to go to Canadian investors for $141 millions over that period, company counsel told the hearings. To attract sufficient capital, earnings must be sufficient to pay a dividend of $2 a share, he contended

Company had planned originally to issue new stock in April this year, but this issue had been deferred on the assumption that it could not be proceeded with until a rate increase had been granted, Comptroller Cleugh stated. The stock issue is now scheduled for July with a further issue the following July. The two stock issues totaling $90 millions, employees' stock purchases, temporary loans, and a $45 millions bond issue in 1952 were the means by which company hoped to provide the necessary funds for construction in the next three years he said.

Available earned surplus of $700,000 would be used up this month, and the second quarter's deficit (after dividends) could only be met by $1¾ millions due as refundable excess profits tax Asked if capital surplus of $2.3 millions could be used for dividends, Mr. Cleugh said he supposed it could legally be done, but it would represent a return of capital to the shareholders at a time when the company was looking for large sums of new capital.

Hearings, which started last week, have consisted largely of testimony from three company witnesses — Thomas W. Eadie, vice-president in charge of operations; Arnold J. Groleau, general facilities superintendent; and Mr. Cleugh. Rate application is being opposed by several Ontario and Quebec cities, including Ottawa, Toronto and Montreal.

Jenkins' Groc. Buys Property In E. Calgary

Jenkins' Groceteria Ltd., Calgary, Alta., has purchased the old W. H. Cushing property in East Calgary and plans to spend $200,000 in modernizing the plant and warehouse. Purchase price of the property was not disclosed.

The Cushing property, located at 9th Avenue and 19th Street East, comprises six acres and includes eight buildings, the largest 320 ft. by 120 ft. and having a total floor space of 125,000 sq. ft. It was purchased from the Robinson Equipment Co. (in liquidation) and the City of Calgary.

Present plans of Jenkins' Groceteria call for the complete modernizing and providing for the use of mechanical lift trucks on the one-floor warehouse. The new warehouse would have more floor space than all four floors and loading platform of the present warehouse, President R. H. Jenkins stated. A large office will accommodate both the accounting department and the general office in one area.

Employees' cafeteria, rest rooms, reading rooms and first-aid room will be included and it is hoped to be able to build a large auditorium and stage which can be used for meetings, social gatherings and recreation.

As soon as all renovations and additions have been completed, the complete Jenkins' operation, Jenkins' Groceteria office and warehouse, Louis Petrie Ltd., Frisken Bakery and Noble Candy Co. will move to the new location from present premises on 9th Avenue West. Some of the buildings located in the area will be demolished and others rented.

The general contract will be under the company's construction department. Subcontractors are N. Gallelli & Sons, Blackwell Electric Ltd., Walter Weir & Co., and S. Cheetham & Son. Consulting architect is Stevenson, Cawston & Dewar.

Jamaica Pub. Service January Earnings Off

Net income of Jamaica Public Service Co. for January amounts to £7,487, as compared with £8,275 in same month last year. Operating revenues were £41,844 (£39,371).

Net income for the 12 months ended Jan. 31, 1950, was £99,795 (£75,890). Operating revenues were £458,650 (£443,307). All figures are subject to adjustment and audit. On May 11, 1948, the company abandoned operation of the major portion of its tramway system and on Aug. 8, 1948, service on the remaining line was discontinued.

IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

Parliament this week learned the government will seek extension of rent controls for 13 months (to April 30, 1951) instead of a year.

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There is going to be a debate on Coldwell's charges that Liberals are seeking the award of defense contracts on a patronage basis.

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Debate on the reply to the throne speech continued.

Welfare Minister Martin outlined scope of the proposed old age pension committee, denied it was a "stall" to avoid action.

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Clarence Gillis and others will raise CNR coal buying policy and service cuts before the railways and shipping committee when it sits, possibly before Easter recess.

Plea for a public accounts committee was heard again, from J. G. Diefenbaker. Mr. Diefenbaker pointed out the government spends some $2.4 billions a year compared with $600 millions prewar. Defense would run over $400 millions. A committee on the British pattern was urgently needed to make sure value was being obtained for amounts spent.

* * *

Parliament will get a look at efficiency of management in its National Film Board in about two weeks when a report on the board by a management firm will likely be tabled.

* * *

J. G. Ahern, K.C., of Montreal, who will prosecute the alleged match combine was the same man who was asked to recommend to the government whether prosecution was warranted, Justice Minister Garson told the House. Asking the same counsel who recommends for prosecution to handle the case was usual, he said. Mr. Ahern conducted the original investigation for the then Combines Act commissioner F. A. McGregor, House was told.

* * *

The government will take up any loss from deferring of wheat sales to Britain under the wheat contract, Agriculture Minister Gardiner told the House. Wheat farmers would not pay for additional markets afforded bacon, lumber and salmon producers through substitution for part of scheduled wheat sales.

* * *

Attacked by Stanley Knowles for a speech outside the House, Leslie Mutch, assistant to the Veterans' Affairs minister, repeated his opinions to the House. He criticized too much faith in "legislated social security." "I have a holy horror of the modern conception of the welfare state. I have a congenital distrust of planners . . . I look with jaundiced eye upon subsidies in any form. If we must put up with them, I urge that they be open, obvious and labeled. I suggest that we do not advertise them as a new nostrum for the general good but that we honestly admit them to be what they are, the confession and price of failure." He wanted to renounce the idea the difference between socialism and Liberalism was only one of method, if he had ever held it. "I do not like socialism any better when proposed by Liberals —in fact, I am more afraid of it."

* * *

H. R. Argue (CCF, Assiniboia) rapped Mr. Mutch for saying he did not want to "see any more people on the government payroll." Old age pensioners would be happy to be on the payroll like Mr. Mutch and himself. Mr. Mutch might not stay on the payroll if he kept on making speeches of that sort, he said.

* * *

When butter stocks from price support operations get out of hand, they can be sold to soap makers. Asked for data on recent disposal of butter stocks, Agriculture Minister Gardiner said: "We have not had any butter that we have been required to sell to the soap industry so far as I know. Sometimes that does develop." Dealers who have bought butter stocks from the government are to be guaranteed against loss if a lower support price is set.

* * *

Transport Minister Chevrier denied statement of W. Chester S. McLure (PC, Queens) that there was a shortage of reefer cars to ship turnips, potatoes from Prince Edward Island.

* * *

Mr. Gardiner denies political reasons for overpayment of $5 millions to wheat farmers by the Wheat Board before the election. Farmers demanded the payments; the $5 millions board deficit resulted from unavoidable miscalculation on what sale of the then future crop would bring, he says.

* * *

Whether about 1,200,000 cheques for about $500,000 interim payments on wheat sales of 1945-49 will be mailed out before spring farm work begins on the Prairies is being considered Trade Minister Howe says.

* * *

Reduction of depreciation rates on farm equipment under income tax rules is bringing protests from Prairie members.

Choose From a Complete Selection Now!

Famous "Crombie" Or "Isaac Carr's" Topcoats

$55 EACH

Choose now from Simpson's start-of-the-season selection of topcoats . . . tailored of coatings from two of Britain's foremost mills! Coatings with a fine, smooth texture . . . rich appearance and outstanding wearing qualities. Dressy, comfortable slip-on style for regular, tall or short builds in a complete selection of new Spring shades. Sizes 36 to 46. Priced way below what you'd expect to pay for this superb combination of superior fabrics, trim styling and masterful tailoring!

Simpson's

The Store For Men
Second Floor
Dept. 260

LAKE EXPANSE GOLD MINES examined a number of properties during 1949, chiefly in the Fort Steele, Skeena and Omineca mining divisions of B. C. and acquired a one third interest in two options. One of these, a silver-lead-zinc property near Cranbrook, proved disappointing and will probably not be taken up. The other, a gold-silver occurrence, disclosed medium to high-grade gold and silver values in sampling and it is proposed to investigate it thoroughly. At Dec. 31, the company had cash and Dom. of Canada bonds of $102,149 and accounts receivable of $2,508 against current liabilities of $93.

VULCAN OILS had received payment for June 30 installment of 50,000 shares at 20c a share under agreement with Leonard Phillips. This payment completes the agreement and the issued capital is now 1,879,898 shares, leaving 2,120,102 in treasury.

Michael Craig Announces

1. Edwards & Finlay have been appointed national sales representatives for the column of personalized advertising "A MAN'S THOUGHTS" appearing in the Star Weekly and The Standard rotogravure sections.

2. The Starch readership survey, taken on the column, issue of Nov. 26th, showed that an advertiser can expect to have 120,000 women actually read his message in the column, plus an unexpected bonus of some 90,000 male readers.

Michael Craig and Associates
EDWARDS AND FINLAY, REPRESENTATIVES
34 King St. E. Toronto ELgin 7693

MAYFAIR

WHO ARE THE PEOPLE WHOSE "IMPULSE PURCHASES" MOUNT UP HIGHEST?
PEOPLE WITH CHARGE ACCOUNTS, PEOPLE WITH MONEY IN THEIR POCKETS.

Mayfair is about successful people. It is read by successful people. Successful advertisers keep on using it.

ASK YOUR ADVERTISING AGENT OR PHONE
MAYFAIR MAGAZINE
DOMINION SQUARE BLDG., MONTREAL.
481 UNIVERSITY AVENUE, TORONTO.

A Maclean-Hunter Publication.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Bank of Montreal (Montreal) — John MacRae, assistant general manager, Ontario branches; W. H. Raikes, superintendent, British Columbia branches; Lawrence E. Tritschler, branch manager at Montreal.

British Columbia Association of Broadcasters (Vancouver) — F. H. Elphicke, president.

Canada Life Assurance Co. (Toronto)—E. Kenyon Davidson, manager, central mortgage branch.

Canadian Bottlers of Carbonated Beverages (Toronto)—William Hawrelak (Edmonton), president; Henri Toussaint, (Quebec), vice-president.

Canadian Mercantile Insurance Co. (St. Hyacinthe, Que.)—Carson P. Eddy (Toronto), a director.

Canadian Institute of Town Planners—Aime Cousineau (Montreal), president.

Class "A" Weeklies of Canada (Toronto) — Jack P. Hughes, eastern representative at Montreal.

Dominion Tar & Chemical Co. (Montreal). — Arthur H. Martin, executive vice-president; W. N. Hall, D. S. Thomas, vice-presidents.

Dunlop Tire & Rubber Goods Co. (Toronto)—J. E. Hallonquist, sales manager, tire division.

Eastern Securities Co. Ltd. (Saint John) — Victor W. Hugman, manager for the province of Nova Scotia.

Edmonton Bar Association (Edmonton) — Andre Dechene, president.

Fidelity Life Assurance Co. (Regina)—D. F. MacPherson, secretary.

Great West Life Assurance Co. (Winnipeg) — Stefen Hansen, manager, group dept.; Robert L. Jex, assistant group actuary; John M. Bragg, group secretary.

Greenspoon, Freelander & Dunne (architects), (Montreal) — H. E. Greenspoon, Philip Freelander, Joseph Dunne, form partnership (new).

Imperial Insurance Office (Toronto) — Robert Payne Simpson, president and managing director.

International Silver Co. of Canada (Hamilton) — S. M. Ferguson (Hamilton), manager, hotel division, and of promotional and premium lines of plated flatware.

Kelly Douglas & Co. Ltd. (Vancouver)—J. F. Carroll, general manager, grocery division.

Lifetime Distributors Ltd. (Niagara Falls, Ont.)—Adrien Vachon, regional manager for Northern Ontario and Quebec.

Life Insurance Co. of Alberta (Edmonton) — Allan D. McTavish, John R. Munro, directors.

Melville Machinery Ltd. (Montreal)—A. M. Tirbutt, Jr., vice-president in charge of sales.

Montreal Locomotive Works, Ltd. (Montreal) — Perry T. Egbert, a director.

Murray & Company (Toronto), (general agents for Prudential Assurance Co. of England) — Harry Siegel, manager, life department.

Mutual Life Assurance Co. of Canada (Waterloo, Ont.) — C. L. Gregoire, manager, French sales branch, Montreal (new).

National Research Council (Ottawa)—Dr. E. Gordon Young, laboratory director at Halifax.

Northern Trusts Co. (Winnipeg) —M. A. MacPherson, resident director at Regina.

Ontario Municipal Board (Toronto) — George A. Lister, joins board.

Prudential Trust Co. (Montreal) —L. R. Champion, board chairman; L. M. St. B. Collins, president.

Reliance Insurance Co. of Canada (Montreal) — Kenneth T. Dawes, a director.

Royal Bank of Canada (Montreal) — E. K. Culbert, manager new Windsor branch; T. R. McCullough, assistant manager, Windsor main branch.

Rolph - Clarke - Stone Ltd. (Toronto)—Eric O'Connor, a director.

Scotch Anthracite Coal Co. (Montreal & Toronto)—W. A. Arbuckle (Montreal), board chairman.

Standard Brands Ltd. (Montreal) —R. D. Kerr, assistant treasurer.

Sun Insurance Office group (Toronto) — Robert Payne Simpson, manager for Canada.

Charles Tennant & Co. (Canada) Ltd. (Toronto)—J. V. Gundy, president; G. E. Gunton, vice-president.

Western Bridge & Steel Fabricators Ltd. (Vancouver) — Sidney Hogg, managing director.

Western Insulation Ltd. (Vancouver)—J. M. Young, general manager.

Woods Manufacturing Co. Ltd. (St. Lambert, Que.)—Hon. F. Philippe Brais, a director.

Retirements

Bank of Montreal—W. T. Aikins MacFayden, superintendent of Ontario branches.

Reliance Insurance Co. of Canada —A. Sydney Dawes, director.

Dom. Radiator Buys Gurney's Toronto Plant

The Toronto plant and property of the Gurney Foundry Co. has been sold as of April 1, 1950 to a new company, Gurney Dominion Furnaces Ltd., a wholly owned subsidiary of Standard Sanitary & Dominion Radiator Ltd. Sale price is not disclosed.

Manufacturing of stoves, carried on for over 100 years by Gurney Foundry Co., will be continued separately under the Gurney ownership and management at the company's Montreal plant, under the direction of E. Holt Gurney, president.

Stove and range business will be operated under the name of Gurney Industries Ltd. with head office of this company remaining in Toronto. The 4% first mortgage sinking fund bonds of Gurney Foundry Co., of which there were $682,500 outstanding at Dec. 31, 1948, will be called for redemption, The Financial Post understands. Shareholders of the present company will not be affected other than that they will receive new certificates of the new company.

George C. Crawford, president of Standard Sanitary & Dominion Radiator Ltd. will become president of Gurney Dominion Furnaces Ltd. and E. Holt Gurney has been appointed its general manager. Standard Sanitary & Dominion Radiator Ltd. is a wholly owned subsidiary of American Radiator & Standard Sanitary Corp.

Sangamo Co. Earnings Hold

Sales and earnings of Sangamo Co. in the current year are running about on a par with last year, The Financial Post is informed. Officials anticipate that operations in 1950 will closely parallel last year and that increased domestic business will counteract the anticipated further loss in export markets. Export accounted for approximately 25% of total business in 1949.

A $140,000 plant expansion program is already under way at the company's Leaside plant, to alleviate cramped quarters conditions. Share earnings in 1949 amounted to $1.81, just up narrowly from previous year when $1.80 was earned.

Obituaries

George Carson, 80, Ottawa, president, Hugh Carson Co.

William L. Clarke, 47, Montreal, eastern sales manager of Tremco Manufacturing Co. (Canada) Ltd.

Dr. A. J. Dempster, 63, Toronto, world renowned scientist, discoverer of Uranium 235.

C. A. Fowler, 58, Halifax, founder of architectural firm, C. A. Fowler & Co.

William Hepburn, 64, Yorkton, Sask.; former director, Western Canada Livestock Shippers Association.

Senator J. Arthur Lesage, 68, Quebec, chief Liberal party organizer, Quebec district.

James E. Rice, 88, Vancouver, retired manager, Pacific Mutual Benefit Association.

J. H. Fulton Timmins, 72, Toronto, president of Dominion Porcupine Gold Mines.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Canadian Advertising Research Foundation announces that the second transportation advertising study (of Montreal) made for Canadian Car and Bus Advertising will shortly be available. First study (of Winnipeg) was made a year ago; a third is scheduled to get under way soon.

* * *

O'Brien Advertising Ltd. (Vancouver) handled B. C. Better Homes Exposition.

* * *

E. W. Reynolds Ltd. (Toronto) announces three advertising plans for T. Sisman Shoe Co. Ltd., Aurora, Ont., to run concurrently as spring promotion. Half-page two-color and black and white ads in national magazines and weekend roto papers will feature teen-age Scampers and Tredders for summer; 250-line insertions in leading farm papers will be devoted to Thorobilt farm shoes; streetcar cards in Toronto and Montreal, newspaper mat service, window streamers and dealer counter displays will also be used.

* * *

Kenyon & Eckhardt Ltd. (Toronto) handles Kellogg Co.'s new vitamin D Pep cereal with full-page roto ads in major weekend papers, full pages in 22 dailies in 18 other key markets. Farm papers, medical journals also used.

* * *

F. H. Hayhurst Co. Ltd. (Toronto) appointed to handle all Canadian advertising for Visking Ltd., Lindsay, Ont., makers of cellulose casings for prepared meats.

* * *

Ronalds Advertising Agency Ltd. (Toronto) directs campaign marking 50th anniversary of Marshall Ventilated Mattress Co. Ltd. of Leaside, Ont. A 1,000-line introductory ad followed by four of 500 lines each in 20 major papers in Eastern Canada will offer 50 prizes totaling $4,500 in a promotion contest, winners to be announced at the Canadian National Exhibition.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) says series of one-column cartoon style ads for Happy Socks, product of McGregor Hosiery Mills Ltd. (Toronto), will be continued in a weekly magazine and dailies. Seasonal promotion of complete line of McGregor men's hose will supplement campaign.

* * *

Earl Aikin, executive vice-president, Aikin-McCracken Ltd. (Toronto) directs Toronto Red Cross campaign as chairman of Public Relations Committee of Toronto branch of Red Cross Society. Publicity includes 14,000 advertising displays in shop windows, 1,100 Red Cross shields displayed on streets, 194 Red Cross flags flying.

Present that special client with a box of "La Simbombo". Always keep a few cigars in your office for your friends and visitors.

Select from	Wholesale price	Retail at
Diamantes	box of 50 $22.00	60 cents
Selecciones	box of 50 $15.75	42 cents
Selecciones	box of 25 $ 8.50	42 cents

If your local cigar store does not have "La Simbombo", you may order one or more boxes at wholesale price directly from our office.

WANTED TO BUY

Manufacturing business with sales volume of a million or more — in any sound field of activity. Prefer continuing management for a period. Adequate capital for control or outright purchase of a large business. Discussion invited in strict confidence with our Mr. John Burns.

W. H. BOSLEY & CO.
Business Sales Department
28 ADELAIDE ST. W., TORONTO WA. 1031

REAL ESTATE

• RESIDENCES • LAND • COMMERCIAL BUILDINGS

Ottawa L., H. & P. Holders Approve Winding-Up Plan

Shareholders of Ottawa Light, Heat & Power Co. have approved the winding-up of the company under the Winding-up Act and a bylaw authorizing directors to transfer the company's Hull distribution system and its gas business and working capital required in connection with it to a newly incorporated company.

The application for a winding-up order would provide the quickest way of distributing the realized assets, President F. E. Bronson told the special general meeting last week. The first duty of the liquidator would be to make an interim payment of $20 a share to shareholders.

A federal charter had been obtained for Interprovincial Utilities Ltd., Mr. Bronson said. Its 140,000 shares, the same number as for Ottawa Light, Heat & Power, will be distributed on a share-for-share basis. In addition to the Hull assets, on which the president placed a value of $250,000, and the Ottawa Gas Co., value of which he declined to estimate, there will be transferred $300,000 in cash from Ottawa Light, Heat & Power to the new company.

HOMES—CITY & SUBURBAN
FARMS—COUNTRY ESTATES
SUMMER PROPERTIES
24 HOUR SERVICE
AD. 5661
KINGSWAY OFFICE.....LY. 7593
NORTH END OFFICE....MA. 4451
HEAD OFFICE....... 320 BAY ST.
(Canada Permanent Bldg.)
TORONTO

MANUFACTURER'S OPPORTUNITY

Factory buildings, 15,000 square feet; in Saint John, N.B.; now equipped for woodworking but suitable for any type of manufacturing; for sale, or would consider a partnership or stock participation.

BOX 99, THE FINANCIAL POST, TORONTO

For Sale and Safe Investment

50 ft. on South Side of Bloor St. 200 ft. West from Yonge St.

One of the leading chain stores wishes to sell their property to a builder and investor who will build them a store and rent back, giving a long lease.

HAROLD FISHLEIGH, Realtor
2255 Yonge St. MA. 5453 - MA. 8551

GIBSON BROS.
Established 1910
REAL ESTATE BROKERS
INDUSTRIAL — COMMERCIAL — RESIDENTIAL
PROPERTY MANAGERS
VALUATORS
327 BAY ST., TORONTO 1 - - ADelaide 0685

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

YOUNG VETERAN, 1950 graduate in Commerce and Finance at University of Toronto, with some business experience, seeks position with a future in fields of administration, finance, insurance, manufacturing or marketing. Box 61, The Financial Post, Toronto.

ACCOUNTANT Bachelor of Commerce, Superior qualifications, six years experience. Interested only in position offering attractive and challenging future. Box 92, The Financial Post, Toronto.

MINE PURCHASING AGENT

NOW EMPLOYED. Extensive experience. Self starter. Hard worker. Age 30. Box 81, The Financial Post, Toronto.

EXECUTIVE ASSISTANT

PROFIT-MINDED and capable. Ten successful years manufacturing, sales, market research. Graduate engineer; extensive commercial training. Age 31. Box 86, The Financial Post, Toronto.

CHARTERED ACCOUNTANT, thirty years old, three years public auditing experience since obtaining degree, presently employed in Maritimes. Desires Toronto location with medium-sized industrial organization where initiative, drive, imagination are encouraged. Box 98, The Financial Post, Toronto.

CAPITAL WANTED

SALES FINANCE COMPANY. Profitable sole proprietorship requires additional capital for expansion. Amounts of five thousand to fifty thousand dollars. 5% interest paid monthly. Box 67, The Financial Post, Toronto.

FOR RENT

NEXT WINTER IN B. C.?

DESIRABILITY of making prompt steamship reservations for extensive travel necessitates advertiser making immediate arrangements for letting his furnished home for minimum period of six months from November next. The house is situated in high class residential West Point Grey district of Vancouver. Lovely marine and mountain views, convenient to local bus transportation, and is in large garden. All rooms are large, including three bedrooms. Very comfortably furnished, modernly equipped including automatic oil heat and electric hot water, and completely supplied in all details.

For immediate negotiation will accept low rental of $150 monthly. For further particulars please communicate with

THE ROYAL TRUST COMPANY,
VANCOUVER, B.C.

POSITIONS AVAILABLE

Business Systems Salesman

GOOD OPPORTUNITY for man experienced in selling Visible Record keeping systems. Well established concern in Toronto, a leader in its field, offers permanent position on a salary and commission basis to a man who can produce. Phone Mr. Tilley, Plaza 1631 for appointment, or write Box 101, The Financial Post, Toronto, giving full details.

Will New Wage Demands Hurt Our Export Trade?

(Continued from page 1)
Reds have on the union, it doesn't look as if there will be much joint action. All key office jobs are held by Reds or sympathizers. And rank and file bushworkers, scattered throughout Northwestern Ontario, get little or no chance to do anything about it.

Because it controls all bushworkers, this union's Communist leaders have the power to slow down the presses in most Canadian and U. S. cities and put a crimp in our biggest dollar-earning industry.

Meanwhile on the west coast, tension was mounting in the woods. The big CIO woodworkers' union, now rid of Communist control, and representing 32,000 woodsmen, wants a basic daily rate of $10 (equivalent of 17c hourly raise).

High as this is, the real threat came from another quarter. Taking a leaf out of John L. Lewis' book, the union came out flatly with a "no-contract, no-work" threat.

Present contracts expire June 15. At a recent convention, 80 delegates decided immediate strike action will be taken if negotiations are not complete and a satisfactory contract signed by that time.

The general feeling is that neither operators nor the union want a strike because the lumber business looks better this year than it ever has before. But due to its "no contract, no work" stand, the union appears to have talked itself into a walkout and doesn't know how to get out. When the slogan was adopted last Christmas, it sounded fine and militant. Now as bargaining day nears (April 15), its beginning to look like a millstone.

Another union goal doesn't seem to be so desirable today either: U. S. Canadian wage parity. Present basic Canadian rates are $1.08 an hour; U. S; $1.45. If B. C. operators wind up paying the same wages as Americans they will immediately lose much of the price advantage which is winning them so much U. S. business. With identical wage rates, plus methods adapted to smaller volume, B. C. would soon find itself priced right out of the market.

One way or another, answers to these immediate questions and the broader implications arising out of the current wage talks in basic steel should be a lot clearer in two weeks.

New Television Development

A new television development —multiple pictures from a single master receiver—has been unveiled to Canadians by Stewart-Warner engineers. First of its kind in North America, "Extension Television" was given its premiere at Stewart-Warner Studios in Belleville, Ont.

What preview guests saw was this: A television set located at one end of the plant was tuned in. Then with a twist of the wrist, a Stewart-Warner engineer extended the same program to an Extension Viewer set up 200 feet away. How it was done is a trade secret.

"The implication and possibilities of this development are tremendous," said one engineer. He foresaw its use in schools, hospitals, hotels or wherever radio is now piped to a number of outlets from a master receiver.

Engineering on the new device is complete, says Stewart-Warner and production will start soon.

Look For It Here

March 18, 1950

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C.P.R.	4	Shaw W & P.	4
Com. Int. Corp.	25	Standard Pav.	9
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MINES AND OILS

Anacon.	27	Preston East Do.	20
Broulan	27	Sigma	5
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Mosher L.L.	27	Triad Leases	27
Pamour Porc.	20	Toburn	26

ROBERT P. SIMPSON

has been appointed manager for Canada of the Sun Insurance Group and elected president and managing director of the Imperial Insurance office.

Little Chance of Ottawa Hewing To Mayhew Line

OTTAWA (Staff) — Whatever Hon. Bob Mayhew said or meant to say about a new Government barter scheme, there's no change in Ottawa's official line on this matter.

For many a month now it's been clear that the Government would actively support any private barter deal that an individual company or group wanted to negotiate. But beyond that there's been determination to avoid direct government participation in state trading or bilateral trade arrangements wherever possible.

This line of policy still stands.

And the argument to support it is that once the Government starts dealing in surplus commodities on an official level with other governments or with private traders in other countries it starts down the "slippery slope to hell" that ends eventually in control and handling of all trade by government rather than by private concerns.

As corrected in Hansard March 14, Mr. Mayhew's suggestion (made on his own responsibility and not as a matter of government policy) was for the creation of "a national export-import corporation beginning its use with countries that now take few Canadian goods."

He later emphasized that it was not his idea that the Government should have any part in financing or management of the proposed corporation.

One of the first problems which Mr. Mayhew has had to tackle and which undoubtedly he had in mind in raising this matter, is the difficult and controversial question of disposing of the 1950 Newfoundland cod catch (Financial Post, March 11).

But so far there is no evidence that the Government as a whole intends to move along the Mayhew line.

Que. Extends Corporat'n Tax

MONTREAL (Staff) — Their liability for Quebec corporation taxes may be increased for companies with head offices outside Canada but principal place of business (for business conducted in Canada) in Quebec.

That's the interpretation given The Financial Post on the recent Quebec ruling on the administration of the Corporation Tax Act. The act was suspended during the war as a result of the Federal-Provincial tax agreement, and came back into effect in 1947.

Prior to the war, these companies paid taxes in Quebec on the basis of sales actually made in the province. The new ruling applies to all business the companies transact in Canada, "unless the company pays to such other province taxes upon its" profits on capital.

Here is the text of the order-in-council:

"In computing the tax capital, sales made by any company, as contemplated by this act, having its head office outside of Canada but having in Quebec its principal place of business for its business transacted in Canada, to purchasers residing in another province of Canada, shall be considered as having been made in Quebec, unless the company pays to such other province taxes upon capital. In computing the tax based on profits, sales made by any company, as aforesaid, shall be considered as having been made in Quebec, unless the company pays to such other province taxes upon its profits."

This is to be effective from Jan. 1, 1947.

1 Reason why

A MILLION CANADIANS USE THE B of M

For Buying and Selling Securities...

You can arrange to purchase securities through the Bank, either for cash or financed with our assistance. If short of funds, don't sell your Government bonds: use them as security for a low-cost B of M loan.

Ask for our booklet: 21 ways a million Canadians use the B of M

BANK OF MONTREAL

"MY BANK" TO A MILLION CANADIANS B of M

AD80

Canada's First Bank ... WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

Will Canada Be Forced Into New Tariff Pacts?

(Continued from page 1)
U. S. goods, we've been limited by our Geneva obligations. True, we have imposed dollar quotas against U. S. goods, but in gradually removing these (as we have done since November, 1947) we've held to the principle of nondiscrimination. Thus in textiles last summer we reapplied duties on both U. S. and U. K. goods.

Respecting further tariff concessions at Torquay, it now seems clear that Canada has very little left to bargain with. Our tariff rates generally were low even before Geneva. Now the combination of Geneva rates, plus devaluation, has brought the average and the detail of our rates to a very low figure.

That means there will have to be some very stiff bargaining at Torquay if Canada is to obtain concessions she hopes for in respect of plywood, tinned salmon, chemicals, aluminum, etc.

And if the whole multilateral program as conceived at Geneva in 1947 blows up at Torquay, then Canada will be forced to make very fundamental decisions on future trade policy.

The most obvious and far-reaching would be a decision on direct approach to United States for a Canada-U. S. reciprocal trade treaty.

We'd also have to decide where our Commonwealth and U. K. trade arrangements would fit, within a framework of North American reciprocity.

Concessions to U. K.?

Would we offer to the U. K. and to the Commonwealth trade concessions similar to those we made to the United States?

Would we work within the framework of the North Atlantic agreement rather than the Commonwealth?

Maybe these decisions won't arise — just yet.

But it is now quite clear that at Torquay, Canada's representatives are due to face up to a great and decisive test of whether this country's postwar goal of multilateral trade is just a pipe dream.

If this proves the case, then we are probably destined to move rapidly into a series of major bilateral or regional arrangements which in turn may have tremendous impact for the future and on our trade pattern of the '50's.

Chatham Gets U. S. Motorbike Plant

Whizzer Motors of Canada Ltd., will begin operations in Chatham, Ont., about April 1, according to William Gray, civic industrial commissioner, and Nicholas Gray, Whizzer president.

Capitalized at $40,000, the firm, branch of a Pontiac, Mich., industry, is to make: (a) motors adaptable to bicycles; (b) a "motorbike" heavier than a bicycle; and (c) the "Sportsman," a light motorcycle.

Whizzer of Canada soon will move into leased 9,000 sq. ft. Chatham premises formerly occupied by National Grocers, will employ all local help, training a Chatamite at Pontiac as superintendent.

Initial operation will be on a modest scale, it is stated, mainly assembly of parts to be imported or subcontract-produced in Canada. Arrangements are under way with Sunshine Manufacturing, Waterloo, Ont., to supply the heavy frame for the Whizzer bike. The light motorcycle will be made entirely in Chatham, according to present plans.

GEO. W. CROTHERS LIMITED ANNOUNCES APPOINTMENT

James F. Crothers, President of Geo. W. Crothers Limited, has announced the appointment of Gordon B. Mills as General Sales Manager.
Upon his return from overseas, Mr. Mills served as Departmental Manager and then as Assistant General Sales Manager.
*

A name with great associations . .

GRENFELL*

RAINCOATS
GOLF JACKETS
SPORTSWEAR

★ So called after Sir Wilfred GRENFELL of Labrador for whom this cloth was originally woven, after long research for a material which would combine warmth, comfort, light-weight and weather protection. Since then, leaders in the fields of sport, exploration and scientific research have adopted GRENFELL garments as standard wearing apparel.

Grenfell Cloth is available in Canada only in Garments made by

DEACON BROTHERS, Limited, Belleville, Ontario

GRENFELL CLOTH

The More Dividend Income The Lower Your Income Tax

The new clause in the Income Tax Act permitting taxpayers holding common and preferred stocks to deduct 10% of their dividends from their total tax payable works out to the advantage of the taxpayer to a very substantial extent. The advantage is more marked where the income from stocks is a larger part or perhaps all the income.

The allowance is being made: (1) to help eliminate the double taxation of corporate profits, due first to the tax on corporate profits and then to personal income tax on dividends from those profits when received by the taxpayer; (2) to encourage investment in stocks.

In the accompanying tables is shown the difference in the tax payable on 1949 incomes due to the 10% allowance as compared with the tax which would have been payable without it.

Comparisons with the tax payable in 1948, of course shows still greater differences. But in those cases the larger part of the difference is due to the lower current tax rate and the increased exemptions rather than the 10% of allowance, although that is also a factor.

Under the new rates investment income is exempt surtax up to $2,400. The reduction for dividends must not reduce the tax below what it would have been had the taxpayer not received the dividend.

The figures also indicate the advantage of stock investments over bonds as far as income taxes are concerned. Income tax figures are approximate:

MARRIED MAN NO CHILDERN

Income of $3,500, $2,000 from Bonds, $1,500 from Canadian Common and Preferred Stocks	New Bases	Old Bases
Total income	$3,500	$3,500
Less personal exempt.	2,000	2,000
Tax. income	1,500	1,500
Total tax payable	279	279
Less 10% of dividends from Can. stocks	150	......
Net tax payable	129	279
Income of $3,500 all from Canadian Stocks		
Total income	$3,500	$3,500
Less personal exempt.	2,000	2,000
Tax. income	1,500	1,500
Total tax payable	279	279
Less 10% of divds.	350	......
Net tax payable	nil	279
Income of $3,500 all Earned		
Total income	$3,500	$3,500
Less personal exempt.	2,000	2,000
Taxable income	1,500	1,500
Total tax payable	235	235
Income $5,000, $3,000 Earned, $1,000 from Bonds, $1,000 from Stocks		
Total income	$5,000	$5,000
Less personal exempt.	2,000	2,000
Taxable income	3,000	3,000
Total tax payable	510	510
Less 10% of divds.	100	......
Net tax payable	410	510
Income $15,000, $10,000 Earned, $3,000 from Bonds, $2,000 from Stocks		
Total income	$15,000	$15,000
Less personal exempt.	2,000	2,000
Taxable income	13,000	13,000
Total tax payable	3,464	3,464
Less 10% of divds.	200	......
Net tax payable	3,264	3,464
Income $15,000, $5,000 Earned, $10,000 from Stocks	**New Bases**	**Old Bases**
Total income	$15,000	$15,000
Less personal exempt.	2,000	2,000
Taxable income	13,000	13,000
Total tax payable	3,664	3,644
Less 10% of Can. divds.	1,000	......
Net tax payable	2,664	3,664

B. A. Oil Common Offered at $26⅛

The 400,000 common share issue of British American Oil Co. being offered by Wood, Gundy & Co. and a nation-wide syndicate of investment dealers is being offered the public at $26⅛ a share. Preference will be given in allotment of shares to orders received from present shareholders. It is expected that definite shares for new issue will be available on or about March 30.

By Monday afternoon dealers had oversubscribed for the stock issue. Market price eased from the $26⅝ close on Saturday to the offering price of $26⅛ on Monday.

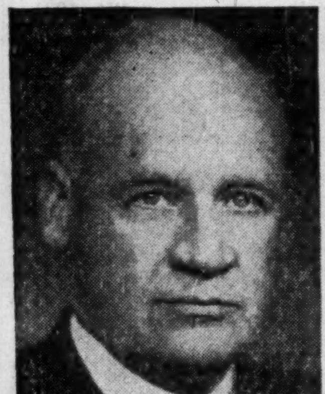
B-A is in course of extensive program of development and exploration including enlargement of refinery capacity at Montreal now completed, the increase in marketing facilities in Canada, exploration for and development of crude reserves as well as construction of a new refinery planned at Edmonton.

At present the company has four refineries with a total capacity of some 18 billion bbls. a year located at Montreal East, Clarkson, Ont., Calgary and Moose Jaw, Sask. The new refinery at Edmonton, construction of which is to commence this spring and which is expected to be completed early in 1951, will have an initial capacity of 6,000 bbls. daily.

Mexican Light Seeks Court Approval of Plan

Holders of the securities of Mexican Light & Power Co. and of its subsidiaries, Mexican Electric Light Co. and Pachuca Light & Power Co., are being advised that a motion is being made before the Supreme Court of Ontario on April 12, 1950. The motion is for an order, pursuant to Section 122 of the Companies Act, sanctioning the plan of arrangement between the company and its three classes of shareholders. This plan was agreed to by the requisite votes of each of the three classes of shareholders at meetings held on Feb. 16 and Feb. 17, 1950.

IMPORTANT DEVELOPMENT IN PLUMBING AND HEATING INDUSTRY



GEO. C. CRAWFORD

E. HOLT GURNEY

An important announcement to the plumbing and heating industry was made today with the news that Gurney Dominion Furnaces Limited, a subsidiary of Standard Sanitary and Dominion Radiator Limited, would acquire the Toronto plant of the Gurney Foundry Company Limited on April 1st, 1950.
It was further announced that Mr. Geo. C. Crawford, President of Standard Sanitary and Dominion Radiator Limited would also become President of the new Company. Mr. E. Holt Gurney, President of the Gurney Foundry Company Limited, has been appointed General Manager of the new Company.
The manufacturing of stoves, which has been carried on for over one hundred years by the Gurney Company, will be continued separately under the same ownership and management as in the past, and under the direction of Mr. Gurney. It is planned to operate this stove and range business under the name of Gurney Industries Ltd. The head office of this company will remain in Toronto.
*

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THE efficient and economical administration of an estate calls for special training and experience in many lines. It is not to be expected that any one person will be familiar with all matters to be dealt with.

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38 years in Business

Yellow Buses To Supplant Little Red School Houses?

Production of school bus bodies is one of the latest Canadian industries to be born out of our shortage of U. S. dollars. Canada has been buying about 300 a year in the U. S. They were either brought in assembled or as parts and put together here.

Now Wilson Motor Bodies, Long Branch, Ont., has started making what amounts to an all-Canadian body; it will have 98% Canadian content. Production plans call for one body a day. Sizes will range from 16-66 passenger jobs.

About 75 men will be employed by Wilson in its new division. But the effect of the new industry will be felt all down the line among all Wilson suppliers.

The new Wilson body is designed to fit virtually any truck chassis made in Canada. It also conforms to all safety and other specifications. It is completely fireproof, even to the seat cushions. Colors are standard chrome yellow and black.

Orders now on hand are mainly from Eastern Canada and will keep the new division busy for at least three months. Eventually, Wilson expects to see a substantially bigger market for school buses. The current trend, an official said, is toward consolidation of rural schools; where there are now three or four small schools, there will be one large one. Buses will fill in the gaps.

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FP-11

WHEREVER THERE'S BUSINESS THERE'S Burroughs

Net Profit For C.P.R. $29.7 Millions in 1949

MONTREAL. (Staff) — Despite a slight reduction in "other income," lower fixed charges and improved railroad net earnings resulted in an 8½% higher net profit for Canadian Pacific Railway in 1949, company reports.

Net profit for the year was $29.7 millions compared with $27.4 millions in 1948 and $31.9 millions in 1947. On a per share basis, this meant earnings of $1.93 on the common ($1.70 a year ago).

Gross rail earnings rose $8 millions to $363 millions, while expenses were up $6 millions at $343 millions, leaving a net improvement of $2.2 millions or 12% over 1948's $18.4 millions net earnings.

In addition, fixed charges were $1.4 millions lower at $14.5 millions. The reduction in fixed charges was due to retirement in July of $10.7 millions collateral trust bonds and to the effect of devaluation.

Dividend income showed a drop from $19.8 millions to $17 millions, due largely to a cut in dividends paid by Consolidated mining & Smelting Co. out of 1949 earnings ($9.50 per share vs. $11 a year ago). This reduced CPR's income from this source to about $16 millions, on the basis of the 1,682,500 shares of Smelters held by CPR at last report.

However, other sources of "other income" showed some improvement. Net earnings from hotel, communication and miscellaneous properties increased from $900,000 to $2.3 millions, and net income from interest, exchange, separately operated properties and miscellaneous sources totaled $4.4 millions ($3.8 millions).

The dividend income drop, however, plus lower net earnings from ocean and coastal steamships ($2.3 millions vs. $2.7 millions), left other income after taxes, at $23.6 millions against $24.9 millions last year.

During the year CPR paid out preferred dividends totaling $3.9 millions and common dividends of $16.7 millions (of which $10,050,000 was declared from 1948 earnings). The final 1949 dividend of 3% on the ordinary stock was declared subsequent to the year end and is payable March 31, 1950. It has not been deducted in the accounts for the year 1949.

Shawinigan W. & P. Co. Plans To Spend $26 Millions in '50

MONTREAL (Staff) — Shawinigan Water & Power Co. plans large capital expenditure in the next two years, Executive Vice-President J. A. Fuller told shareholders at the annual meeting.

"Since 1945 our company has made capital expenditures of $57,740,000 and for 1950 and 1951 expenditures are estimated at $38,160,000." In 1950 about $26 millions will be spent and in 1951 around $12 millions.

Largest undertaking still under construction is the Trenche power station, on the St. Maurice River.

"Benefits of this program," said Mr. Fuller, "naturally cannot be realized until some time later. But we believe increased power sales coupled with higher prices for industrial power and adjustments in other rates, should result in an improvement in net return on the large investment."

To help finance these outlays $15 million 3% bonds were sold in the U. S. to yield 2⅞% and $5 million 4½% preferred shares were sold in Canada to yield 4.35%.

Total sales for 1949 were $25,880,000, up $1 million over 1948. But in the squeeze of rising wages and costs of materials and supplies net profit dropped 7.7% to $3,923,139. An interim rate increase in Dec., 1949, should boost revenues by about $500,000 a year.

In 1949, revenue from pulp and paper companies was 31.1% of total sales; electro-chemical and metallurgical 15.1%; and other industries 13%. Sales to residential, farm, commercial and municipal consumers were 22.5%, as against 16.7% in 1939.

Two important new contracts were made during the year: one to purchase from Hydro-Quebec up to 100,000 h.p. of secondary power and, beginning in November of next year, firm power of from 10,000 to 50,000 h.p.; the other for sale to Southern Canada Power of firm power up to 155,000 h.p.

The company built 1,210 miles of rural line last year. As the territory approached complete electrification, the report stated, there would be a reduction in lines required, but it was difficult, economically, to justify extensions to many areas because of high cost of construction and low number of prospective customers per mile of line.

Profit of the company's wholly owned subsidiary, Shawinigan Chemicals Ltd., was down from $1,964,405 to $1,204,143.

INVESTMENTS THIS WEEK

Will Gov't. Policy Force 50% Earnings To Be Paid?

What's going to be Ottawa's settled policy on the controversial Section 9(6) of the Income Tax Act?

There has been considerable speculation on this subject in financial circles. Interest was further stimulated when Deputy Minister of National Revenue V. W. T. Scully in a recent Toronto speech (see page 12) said: "Section 9 (6) and other little used provisions of the law were enacted to be applied. Future policy in that regard is now being developed."

Indications are the Government may expect companies to pay out at least 50% of current earnings in dividends.

When Finance Minister Abbott introduced the 10% tax credit for dividend income and raised the corporation tax rate by 3% in his budget March 22, 1949, he referred to the increase in tax burden for the corporation and said: "The fact is, however, that if the corporation distributes more than about one half of its profits after tax in dividends in respect of which the shareholders get a 10% tax credit, there will have been a net decrease in the tax burden over-all from the point of view of the corporation and the shareholders considered together; that is, the corporate rate increase is more than offset by the decrease in tax for the shareholder in all cases where there is a reasonable distribution of profits."

This would seem to indicate that the Government feels that a "reasonable distribution" would be slightly over 50% of profits.

In the two cases where Section 9 (6) is understood to have been used to force dividend payments, the 50% rate would again seem to apply approximately.

The special dividend of $2.25 on the common stock of Brantford Cordage totaled $180,000 and, if applied to the last three fiscal years would bring total common dividends payments for the last three fiscal years to 52.6% of the total net profit after preferred dividends.

In the same way, the special dividend paid by Hahn Brass Co., if applied to the last three fiscal years ended June 30, 1949, would bring its total dividend payments on preferred and common to 58.6% of the net profit. (Its preferred is participating). As the special dividend included two regular dividends, this percentage would be reduced to about 55%.

To avoid charges of discrimination in its application of this section, the Department of National Revenue will need some "rule-of-thumb" method, analysts feel. This might easily be boiled down to the requirement that slightly more than 50% of current earnings be paid out in dividends. This view is particularly strengthened by Mr. Abbott's comments noted above.

If this policy is adopted, many investors will likely benefit. According to Bank of Canada statistics, only 54.6% of the net profit of 663 Canadian firms was paid out to shareholders in 1948. If all firms were raised to an average of 50%, the average for the total would likely be higher.

• • •

Suggest Five Groups Of Stocks For Purchase

Investors now should be adding substantially to capital or to income through carefully made investments, L. S. Jackson & Co., Montreal, states in a communication to clients. Five "carefully classified" groups of stocks prepared by the firm are:

(1) Ten low priced stocks where capital gain is the sole objective, namely five industrials—Atlas Steels, Brown Co., Canadian Food Products Ltd., Commercial Alcohols Ltd. and Eastern Steel Products—and five mines and oils—Barnat Mines Ltd., Pacific Petroleums, Sherritt-Gordon Mines Ltd., Sullivan Consolidated Mines Ltd. and Torbrit Silver Mines Ltd. There are no current dividends being paid on the five industrials but early disbursements are expected on Atlas Steels and Eastern Steel Products. Sullivan Consolidated paid 8c a share during 1949 and should do much better during 1950, the firm states.

(2) Five medium priced stocks for capital gain—Algoma Steel, Dominion Steel & Coal "B," Home Oil, Mining Corp. and Quemont. Home Oil and Mining Corp. pay small dividends. Algoma Steel and Quemont should pay good dividends within two years, the firm states. Dosco "B" is the best dividend payer ($1 regular and $1 extra), Home paid 50c in 1949, and Mining Corp., 30c.

(3) Five quality stocks for stability and safety—Bell Telephone Co. of Canada, Dominion Bridge Co., National Breweries Ltd., Price Bros., and Steel Co. of Canada. These are "foundation" stocks for dependable income, the firm notes.

(4) Five stocks with strong growth factors—Canadian Celanese Ltd., Imperial Oil Ltd., Industrial Acceptance Corp., Noranda Mines Ltd., and Zellers Ltd. All of these stocks have good dividend records and all of the companies have strong growth trends, the firm states.

(5) Five stocks for liberal income—Abitibi Power & Paper, Brazilian Traction, Light & Power Co., Canadian Western Lumber Co., International Metals "A," and Massey-Harris Co. No tremendous increase in earnings is expected but current earnings are already large and substantially cover generous current dividends, the firm states.

The last group of stocks belong in every portfolio in some proportions, L. S. Jackson & Co. states. Ten shares of each of these five stocks will add $79 a year to income for an investment of approximately $1,010.

If income is already high and income tax a worry, an investor will prefer the five stocks with strong growth factors. Here the dividend yield is less but it should grow substantially over the next few years when income taxes may be lower and in the meantime capital should grow, the firm states.

SISCOE METALS, wholly-owned subsidiary of Siscoe Gold Mines, reports recovery in February of 63,464 oz. of silver from 2,398 tons, an average recovery of 26.54 oz. per ton. This compares with 63,223 oz. from 2,428 tons, 26.04 oz. per ton in January.

An Investment in B-A is an Investment in Canada

The record of B-A's substantial growth over the past forty years, and the long-term program of expansion which is now in progress make evident the fact that B-A's progress, and that of Canada, are identical. Therefore, an investment in B-A is more than a belief in the continuing success of B-A and the oil industry... it is also a strong belief in the continuing prosperity of Canada.

Ownership of the Company is held by over 18,000 shareholders of whom over 96% live in Canada.

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B-A Oil—

Known for its quality products in the ten provinces of Canada, The British American Oil Company Limited operates a fully integrated oil industry.

Its activities extend from the exploration and development of oil properties to the transportation, refining and marketing of over 250 petroleum products.

The new issue of Common Shares is to provide funds for the extension of the Company's operations. We offer as principals:

The British American Oil Company Limited

Common Shares of No Par Value

Price: At the market about $26⅛ per Share

Current dividend $1 per Share per annum

A copy of the prospectus detailing the earnings and assets of the Company will be forwarded on request.

More than 96% of the Company's shareholders are resident in Canada.

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HOSCO GOLD MINES March 1 installment of 100,000 shares at 15c a share under agreement with Zenith Securities Ltd., has not been exercised and balance of option has been terminated.

TABLE OF GROWTH

	Total Income	Insurance in Force	Assets
1919	$ 302,074	$ 8,805,175	$ 729,670
1929	1,345,822	40,196,496	5,170,978
1939	1,619,052	51,511,803	7,895,923
1949	3,475,218	111,779,222	20,082,425

HIGHLIGHTS OF 1949 REPORT

Record increase in investment income.
Substantial increase in volume of new business.
Total assets at new peak.
Favourable mortality experience.
Substantial increase in mortgage loans.

MONTREAL LIFE INSURANCE COMPANY

The Friendly Company

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W. R. McEACHERN, Branch Manager, 815 Federal Bldg., 85 Richmond St. W., Toronto

Appointment of Mr. Sidney Hogg, M.E.I.C., P. Eng. as Managing Director of Western Bridge and Steel Fabricators Ltd., is announced by Mr. Frank M. Ross, President. Mr. Hogg previously held the position of Chief Engineer, Sales Manager and General Manager. *

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$20 Millions Offering Made By B. C. Electric

MONTREAL (Staff)—Offering was made this week of a new issue of $20 million 3½% first mortgage bonds, series E, of British Columbia Electric Co. by a syndicate headed by Nesbitt, Thomson & Co., Wood, Gundy & Co. and Societe de Placements Inc.

The new bonds, dated March 1, 1950 and which mature March 1, 1975 were offered at 99 and accrued interest to yield 3.56%.

Proceeds will help meet in part capital expenditures in company's expansion program and for general corporate purposes. The program has been going on since 1946, and with a steady increase in load, has had to be accelerated and enlarged, prospectus states. It's expected that the original program will be largely completed by the end of this year.

Net additions to company's properties in 1949 totaled $26.7 millions, and of approximately $23 millions planned to be spent in 1950 on capital projects, $17 millions is for electric service, $800,000 for gas service and $5.5 millions for transportation.

Company has an installed generating capacity of 494,516 hp. and potential capacity of 1,123,850 hp. At company's 94,000 hp. plant at Ruskin, B.C., an additional 47,000 hp. unit is under construction and is expected to come into operation in this autumn. Work is also being started this summer to replace seven old units at its Lake Bruntzen No. 1 plant with a capacity of 28,200 by one unit of 70,000 hp. This project should be ready in October, 1951.

Since July this year, company has been delivering under contract 30,000 kw. to member companies of a power pool in the northwestern United States with which its system is interconnected. This sale of power is bringing in additional revenue at the rate of about $1 million yearly.

According to the prospectus, average annual earnings available for interest on first mortgage bonds and before income taxes in the past nine years amounted to $3,791,171, compared with maximum annual interest requirements of $3,318,853 (including charges on new bonds). Consolidated 1949 earnings were $6,733,969 or 2.02 times requirements.

Beatty Bros. Business Down

A fairly sharp and general curtailment in sales of electrical appliances since first of year has resulted in the first important employee lay-off at the Fergus plant of Beatty Bros. It's also pulled company sales and earnings in the first half of the current fiscal year somewhat below same period last year. Both sales and earnings however, had been chalking up new records during the first four months of the current year.

Although 80 employees have been laid off, total employment is still far ahead of prewar levels. Company officials are confident that appliance sales will pick up with the return of spring weather. Sales were off particularly on the West Coast where abnormal winter weather kept shoppers indoors. It is now expected that the company's new automatic washing machine, on which considerable research work has been carried out, will be ready for the market toward the end of the summer. Officials are looking to the marketing of this product to bolster sales in the next fiscal year.

Two company officials are leaving shortly for England to look into the possibility of establishing a plant there for manufacture of company's electrical appliances. If arrangements can be made it is hoped to establish the branch plant at Manchester. This plant would supply the sterling area market, almost completely cut off by dollar shortages. A small plant at Tenbury Wells, Eng., purchased in 1946, manufactures several of the company's agricultural products.

Net profit in the latest fiscal year ended Aug. 27, 1949 amounted to $947,179, equal to $2.27 a share as compared with the previous year's record of $1,039,461, equal to $2.49 a share.

COMPANY REPORTS

LABRADOR MINING & EXPLORATION CO. proposes to continue exploration on the large part of its concession retained after the granting of an option to sublease the remainder to Iron Ore Co. of Canada, President Jules R. Timmins states in the company's 1949 annual report.

A "road of access" is being constructed from Seven Islands following location of the proposed railroad. This road will facilitate construction of the railway and movement of supplies for work when that project is undertaken, Mr. Timmins points out.

Preliminary railway surveys between Seven Islands and Knob Lake were completed and final location on the remaining section to be completed during the 1950 season. [text between columns: two thirds of the route, with location of the remaining section to be completed during the 1950 season.]

Four additional deposits of iron ore brought reserves up to 115,902,000 long tons of good grade ore on Labrador's concession during 1949. Increase was 14,848,000 tons. One of these had been discovered during the year's operations.

Balance sheet as at Dec. 31, 1949, shows $6,419 cash on hand, $29,413 accounts receivable. Accounts payable were $88,915, Hollinger North Shore advances totaled $153,344 while $42,633 was owing to a subsidiary, Newfoundland Skyways.

All expenses in area "B" in 1949 were borne by Iron Ore Co. of Canada.

INTERNATIONAL BRONZE POWDERS LTD. consolidated net profit of $95,141 for 1949 is off 50.1% from the net of $190,650 shown in 1948. Dollar shortages and the civil war in China almost wiped out export markets and the U. S. zinc industry strike resulted in a loss of business for the operating companie there. Sales volume of all subsidiaries increased in late 1949. President M. A. Thomson states that the relative position of the operating companies in the industry has been well maintained.

Operating economies were effected wherever possible and exploration of new markets and new manufacturing processes resulted in a wider diversification of products for domestic users.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings*	$157,607	$318,332
Less: Taxes	62,466	127,682
Net profit	95,141	190,650
Less: Min. int.	5,687	10,378
Pref. divds.	150,000	150,000
Surplus for year	▪60,346	30,272
*After deprec. of	65,250	63,876
▪Deficit.		
Earnings per Share and Dividend Record:		
Preferred	$0.89	$1.80
Paid	1.50	1.50
Common	d0.61	0.30
None paid.		

Note: No earnings for participation in 1948 and 1949.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$750,101	$589,391
Accts. rec.	177,919	214,926
Mkt. securities	111,977	111,690
Inventories	887,372	1,139,312
Total curr. assets	1,927,369	2,055,319
Br. govt. bds.	83,630	83,824
Invests. in subsids.	107,013	111,196
Misc. assets▴	182,746	199,872
Goodwill & patents	876,304	876,304
Fixed assets	2,314,592	2,331,908
Total assets	5,491,654	5,658,423
Total curr. liab.	207,474	297,916
Deprec. res.	[illegible]	1,541,590
Minority int.	32,408	36,706
Capital stock	2,608,037	2,608,037
Capital surplus	48,228	44,982
Earned surplus	1,065,063	1,129,192
▴Incl. ref. EPT	55,422	70,650
Working capital	[illegible]	[illegible]

EARLE D. MORRISON

has been appointed general manager, Gorman, Eckert & Co. Ltd., London, Ont.

Burns & Co. Bonds Offered

A new issue of $1,200,000 first mortgage 4% sinking fund bonds, series "B," of Burns & Co. is being offered by Dominion Securities Corp. at $99 and accrued interest.

Proceeds are for general corporate purposes. The Series "B" bonds are to be issued against new fixed assets (calculated as provided in the trust deed) acquired by the company since May 1, 1945.

Burns & Co. had a consolidated net income of $967,996 for the year ended Dec. 28, 1949 which is equivalent to earnings of $7.53 a Class "A" share and to $6.53 a Class "B" share after giving effect to participating provisions and before deducting $300,000 provision for inventory contingencies and $200,000 provision for replacement of fixed assets at higher than original cost. After these deductions, earnings are equivalent to $4.04 and $3.04, after participation, respectively.

Maximum annual interest charges on the first mortgage bonds to be outstanding after the present financing will amount to $174,250. The balance of income before deducting interest on funded debt, provision for wartime inventory reserve and taxes on income and after deduction provision for depreciation for the 10 fiscal years ended Dec. 28, 1949 has averaged $1,041,194 or over 5.97 times the maximum annual interest charges, the prospectus states.

Capitalization, outstanding after giving effect to the present financing, will consist of $300,000 series "A" 2¾% first mortgage serial bonds due May 1, 1950-51; $2,950,000 series "A" 4% first mortgage sinking fund bonds due May 1, 1963; $1,200,000 series "B" 4% sinking fund first mortgage bonds due May 1, 1963; 33,500 no par value Class "A" shares and 109,559 no par value Class "B" shares.

$7.5 Millions Issue By N.B.

MONTREAL (Staff) — New issue of $7.5 million 3½% Province of New Brunswick sinking fund debentures was offered this week by a syndicate headed by Nesbitt, Thomson & Co. Price was 99.50 to yield 3.54%.

The debentures will be dated April 1, 1950 and mature April 1, 1967. Proceeds are for refunding of $5 million 5½% debentures due May 15, 1950 and $2.5 million 2% debentures due June 15.

Provincial Treasurer J. G. Boucher points out that in each of the past 10 consecutive years the province has shown a surplus on ordinary account, totaling $17,459,049. For the fiscal year ended October 31, 1949, the surplus was $1,902,708.

Revenue from the gasoline tax and motor vehicle fees rose from a combined total in 1939 of $3,081,278 to $7,858,723 in 1949. The proportion of ordinary revenues required for the service of public debt decreased from 51.7% in 1939 to 24.3% in 1949.

Montreal Seeks Authority To Take Trams Any Time

MONTREAL (Staff) — Sweeping powers may be given to the City of Montreal in matters of transportation under a charter amendment bill now before the Quebec Legislature.

This bill would give the city:

(1) the right by bylaw to establish a commission under the name of "The Montreal Transportation Commission" and (2) the power to take advantage by bylaw of the expropriation section of the City's contract with Montreal's Tramways Co. so that they can expropriate not only the railway of the company but all of the company's transportation system and its movable and immovable property.

Further, according to the bill the contract between the city and the company, dated Jan. 28, 1918 would end as of the date determined by the bylaw. The contract now provides that the properties cannot be expropriated prior to March 24, 1953.

In other words, if this bill is passed, the city will be in a position to take possession and operate the Montreal Tramways Co. at any time it wants to pass a bylaw.

Up to midweek no organized opposition has appeared to it in the legislature. The bill after one reading was referred to the Private Bills' Committee which was expected to discuss the bill later this week. Some opposition from the municipalities around Montreal may appear at this meeting.

Investors would not seem to be worried about the bill and even regard it as a bullish factor, judging from Montreal Tramways' stocks action. Since the end of February, Montreal Tramways' common has moved up from $51 a share to a high of $63 a share and is currently selling around $61 a share.

Elaborate provision is made for the method of settling the amount to be paid for the properties.

According to the bill, the bylaw would provide for the establishment of a Board of Arbitration composed of three members, one appointed by the city, one by Montreal Tramways Co. and the third by mutual agreement. If they did not agree within a period of 30 days, the Lieut.-Governor in Council of the Province of Quebec would appoint a judge of the Superior Court as a third member.

The Commission would be empowered by the bylaw to negotiate with the bondholders and shareholders. If an agreement were reached with the majority of the bondholders and shareholders, in par value, such an agreement would be binding on the minority. If the Commission failed to come to an agreement within a year following the date of taking over, then the Board of Arbitration would immediately proceed to determine the value of the acquired property.

Consol. Press Defers Div'd.

The payment of the April 1, 1950 quarterly dividend on the Class "A" shares of Consolidated Press Ltd. has been postponed, President, Miss M. R. Sutton advises shareholders.

The purpose is to preserve and add to working capital during an anticipated brief period when increasing revenues, and operating efficiencies, already planned, will produce desired results, she stated.

"For many companies engaged in the publishing-printing industry, the past 2½ years have been the most burdensome in history. It has been necessary in this period to cope with sharply mounting operating costs, as well as with two very costly industry strikes," Miss Sutton adds.

Consolidated Press has also had to make some heavy investments in capital and other expenditures, she states. Expensive new machinery, the moving to new, more commodious quarters, the modernizing of many operating methods, basic changes in some of the publications, a substantial increase in the number of new subscribers for three of our magazines, and other such projects have required large outlays, a considerable portion of which has been necessarily charged to operating expenses, she said. Return on some of these investments will shortly become apparent, she adds.

"Class A shareholders may rest assured that the Board of Directors will declare payment of the April 1, 1950 and all future dividends as promptly as possible," Miss Sutton said.

CALGARY, ALBERTA

Custom cabinet and upholstery shops. Catering to hotels restaurants. Furniture and fixtures. Turnover approximately $200,000.00 yearly. Stock $40,000.00. Can increase lines and business. Well established, good connections. Full particulars to bona fide parties.

Write box 96, The Financial Post, Toronto

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SEIBERLING RUBBER CO. OF CANADA LTD. shows net profit of $22,148 for 1949, off 75.6% from the 1948 net of $90,514. Sales, particularly export, were down and, although there was some relief during part of the year from lower crude rubber prices, this was offset by increased costs resulting from devaluation of the Canadian dollar. Competition was much stiffer than in 1948.

President M. L. Brown expects sharp competition in 1950 but anticipates results will be better than in 1949.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$147,171	$258,207
Less: Deprec.	88,983	120,243
Bond int.	24,640	25,450
Income taxes	11,400	22,000
Net profit	22,148	90,514
Less: Com. divds.	12,500	......
Surplus for year	9,648	90,514
Times Bond Interest Earned:		
Before depr.	5.97	10.15
After depr.	2.36	5.42
Earnings per Share and Dividend Record:		
Common	$0.44	$1.81
Paid	0.25	†

†75c paid Feb., 1948, deducted from previous year's accounts.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$299,062	$213,909
Accts. & bills rec.	502,002	415,363
Inventories	906,522	1,284,898
Total curr. assets	1,707,586	1,914,170
Prep. ins., adv., etc.§	9,866	13,608
Misc. assets▴	22,948	44,476
Fixed assets*	442,257	468,463
Total assets	2,182,657	2,440,717
Accts. & tax. pay.	311,992	575,868
Serial bonds pay.	25,000	25,000
Other curr. liabs.	11,092	41,392
Total curr. liab.	348,084	642,260
Funded debt	600,000	625,000
Reserves	77,946	77,330
Capital stock	342,905	342,905
Capital surplus	95,677	95,677
Earned surplus	718,045	657,545
*After depr. of	1,259,150	1,197,669
▴Incl. ref. EPT	......	21,271
§Incl. in curr. assets in co's report.		
Working capital	1,359,502	1,271,910

STANLEY BROCK LTD. shows net profit of $83,588 for 1949, off 44.6% from the 1948 net of $150,708. Main reasons were narrower profit margins and smaller sales volume.

President J. F. Keyes stated that unfilled orders at Dec. 31, 1949 were considerably above those at Dec. 31, 1948. Working capital amounted to $590,995 as against $523,018.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$171,628	$267,864
Less: Depr.	39,560	35,025
Income tax	48,480	82,131
Net profit	83,588	150,708
Less: Cl. A divd.	18,810	18,810
Cl. B divd.	25,080	25,080
Surplus for year	39,698	106,818
Earnings per Share and Dividend Record:		
Class A	$2.67	$4.81
Paid	0.60	0.60
Class B	1.03	2.10
Paid	0.40	0.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$165,567	$21,700
Accts., etc., rec.	317,697	304,631
Life ins., c.s.v.	83,537	82,182
Inventories	223,982	257,805
Total curr. assets	790,783	666,318
Prop. exp.§	7,307	5,953
Investments	40,254	42,766
Misc. assets▴	30,920	45,719
Fixed assets*	416,601	424,162
Total assets	1,285,865	1,184,918
Total curr. liabs.	199,788	143,300
Capital stock	209,000	209,000
Earned surplus	877,077	832,618
*After depr. of	648,393	628,185
▴Incl. ref. EPT	12,390	23,528
§Incl. in curr. assets in co's report.		
Working capital	590,995	523,018

SIGMA MINES reports production for February of $217,775 from 32,088 tons milled. This compares with $236,934 for Jan., 1950 and $185,982 for Feb., 1949.

Grant Johnston & Co.

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MONTREAL CURB MARKET
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THE MUTUAL LIFE OF CANADA
EL. 8371

Village of Marmora

DEBENTURES FOR SALE

Sealed tenders will be received by the undersigned up to Thursday March 23rd 1950 for the Village of Marmora—$18,000.00—10 year Fire Hall and Equipment Debentures — 3½% interest payable annually. Debentures to be dated April 4th 1950 and are payable as to both principal and interest.

Envelopes containing the bids should be plainly marked "Debenture Bids." The right is reserved to reject any or all bids.

E. C. PRENTICE,
Clerk.

We, as principals, offer:

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE

PROVINCE OF ONTARIO

3% DEBENTURES

DUE MARCH 1, 1963

CALLABLE ON OR AFTER MARCH 1, 1961 AT 100.

PRICE: 101.125 AND INTEREST TO YIELD ABOUT 2.88%

BELL, GOUINLOCK & COMPANY
LIMITED
ESTABLISHED 1920

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CALGARY, ALBERTA

Manufacture of wood and steel products, presently well established and expanding into larger premises—looking for new or other items to manufacture. Reference to be exchanged.

Box 97, The Financial Post, Toronto

$150,000.00 CAPITAL

An investment of the above amount will bring unusually attractive returns of $75,000.00 annually from a real estate block most desirably located in the City of Montreal. The property consists of a manufacturing building containing a number of desirable tenants in the textile trade. Leases expire in 1954 and are at a very reasonable rate.

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NEW ISSUE

$7,500,000

Province of New Brunswick

3½% Sinking Fund Debentures

To be dated April 1, 1950 To mature April 1, 1967

Principal and half-yearly interest (April 1st and October 1st) payable in lawful money of Canada in the Cities of Halifax, Charlottetown, Saint John, N.B., Moncton, Fredericton, Montreal, Toronto, Winnipeg, Regina, Calgary or Vancouver at the option of the holder. Debentures of this issue are non-callable prior to maturity. Coupon Debentures in the denominations of $1,000 and $500, with provision for registration as to principal.

The Provincial Secretary-Treasurer advises that the proceeds from the sale of Debentures of this issue in the respective principal amounts shown below will be used for the purposes indicated, namely:

Refunding $5,000,000 5½% Debentures due May 15, 1950.
$2,500,000 2% Debentures due June 15, 1950.

The authorizing Order-in-Council will provide for an annual sinking fund during the currency of these Debentures of a sum equal to at least 2% of the principal amount thereof.

Legal Opinion: Messrs. Parkins & DuBoyce, Montreal, P.Q.

In the opinion of Counsel, these Debentures will be legal, valid and binding direct and general obligations of the Province of New Brunswick and will be chargeable, principal and interest, on the Consolidated Revenue Fund of New Brunswick.

PRICE: 99.50 and accrued interest to yield 3.54%

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the Subscription Books at any time without notice.

We, as principals, offer these Debentures if, as and when issued and accepted by us, and subject to the approval of Counsel.

It is expected that Debentures in Interim form, exchangeable for Definitive Debentures, when available, will be ready for delivery on or about April 1st, 1950.

Nesbitt, Thomson & Company, Limited — Gairdner & Company Limited
Greenshields & Co Inc — L. G. Beaubien & Co., Limited
Burns Bros. & Denton Limited — James Richardson & Sons
Stanbury & Company Limited — J. C. Mackintosh & Co., Ltd.

Not the Main Housing Problem

Most people will be heartily in favor of getting our young people housed as cheaply and as comfortably as possible. It is in their interest and the national interest that decent quarters suitable for raising a family are readily available. But it is rather difficult to see where the radical proposal made in the Ontario Legislature last week, fits into that picture.

In federal-provincial sponsored housing, it was suggested that down payments requirements on purchases be eliminated. Normally at least 10% of the full price must be paid before one secures possession. Under the proposed plan with no more formality than signing his name, the new owner would move in and pay so much a month from then on.

There are some exceptions, of course, but the ordinary human being will prize more highly that which has cost him an effort. In the case of a house in which he has invested a thousand or so of his own hard-earned dollars, he will usually make every effort to protect and enhance his investment. He will keep his house in repair, painting it every year or so, fixing up the grounds and generally taking an interest in it and the community. Because he already has a substantial equity, he will also make a real effort to keep up the payments, even if it means temporarily going without something else.

One cannot help wondering if the average family man will take the same pride in a house into which he moves without paying anything. Realizing that a benevolent government is not likely to dispossess him for many months, if not years, he may simply decide to adopt the role of squatter. Only a few, a very few, of course, would go that far but it would not take more than one or two in any community to ruin values for all.

The new plan would seem to have all the disadvantages of a low or subsidized rental proposition, with none of its advantages. Perhaps it might be better to forget all about the ownership angle.

In this latest housing proposal, as in many others, the main problem has been entirely ignored. It is not the first payment that is the big worry of the potential home purchaser, but the total of all of them. No matter how we may ease the original purchase procedure, it is the high total price that is the real stumbling block.

Young couples today are being asked to pay \$10,000 to \$12,000 for a house that their older brothers or sisters actually bought for \$3,500 to \$4,500 not more than 10 years ago. No government scheme, subsidized or otherwise, can hope to bring building costs in line with the general picture. But some healthy competition certainly would.

Amend This Regulation

There is need for a government amendment of Section 9 (6) of the Income Tax Act. No effective means of appeal from the administrative discretion exercised under this section exist, prominent lawyers who have studied this section tell The Financial Post. It is one of the two most glaring examples of the remaining authority to exercise administrative discretion.

Under Section 9 (6) the Minister may notify a corporation that in his opinion the undistributed income exceeds what is reasonably required for the purpose of the business and that " a dividend equal to the amount specified in the notice shall be deemed to have been received by its shareholders on the day on which the registered letter was sent." This will hold good unless the corporation can establish that the undistributed income did not exceed what was reasonably required for its business or that the amount of the excess was smaller than the Minister showed.

As the Corporation itself is never assessed (the assessment is made on the shareholders) it is not permitted to appeal to the Exchequer Court which might be it's most effective way of establishing its case. If it can't persuade the Minister to change his mind, then it has to accept his decision.

An especially obnoxious feature of the present legislation is the dangerous pressure possible through the time limit device. Section 9 (8) provides that, if a letter has been received by a corporation and the actual money deemed to have been received by shareholders is not actually distributed within 90 days from the date of the latter, any further distribution of these monies will be taxable a second time when received by the shareholders.

Consequently, a corporation, upon receipt of such a letter, may negotiate with the Department but cannot afford to impose a double liability upon its shareholders by not distributing the monies in question within the 90-day limit. In all likelihood it will pay out the money. Once the shareholder receives his dividend any appeal from the Minister's letter is worthless since, even it were successful, the shareholders would have the monies and so be taxable.

In actual practice there is no effective means to dispute the liability imposed by a discretionary act of the Minister. The act should be changed to remedy this. It should provide a method for an effective appeal and when one is made the time limit on the disbursement of the surplus should be extended accordingly.

The Right Kind of Company Meeting

Trying to curb the liveliness of U. S. Steel minority shareholders, Chairman Irving S. Olds whammed down his gavel on top of his watch—smashed it utterly.

It had been a tough session—the longest, and despite the inconvenient location, Jersey City, the best attended meeting Steel had ever had.

Company executives adore meetings that go without a hitch; where nobody says an unplanned—or unplanted—word.

Usually, it is true that executives will know far better what's good for a company than most or all of the stockholders.

But we still cling to the old-fashioned democratic view that shareholders' meetings are places where shareholders should speak their minds and ask their questions and get their explanations.

Let chairmen equip themselves with gavel-proof watches; arm themselves with the facts; and, redolent with candor, meet squarely the true owners of the company.

Investigate Before You Join

Before you invest, investigate.

That's the advice of the Better Business Bureau and it makes sense whether applied in purchasing a washing machine, a security or joining some popular movement. It is particularly applicable just now when it's hard to tell a Communist shyster from a genuine social reformer.

Already a lot of organizations with fine democratic names have been exposed as ideological boiler shops. A lot of unthinking liberals and do-gooders who didn't investigate what they were getting into, have been left holding the bag. Today there are three or four world-wide Communist sales organizations. All are selling a highly marketable and desirable product — "Peace."

The line is this: "If war comes it will be the fault of the Trumaniacs. The Soviet Union wants to ban the Bomb. The others refuse to do so." In other words, condition our minds to accept the Big Lie that if war does come, it will be of our making, not Russia's.

One sales force aims at labor; another at women; a third at the "cultural" level — the arts, science, etc. — and a fourth at youth.

The latter organization is called the World Federation of Democratic Youth. There's also a Women's International Democratic Federation and a World Federation of Trade Unions. The kingpin is the World Peace Congress. The boss of the Canadian branch, Dr. James Endicott, ex-United Church missionary, was in Moscow recently. His mission: to give a first-hand report on the Canadian Peace Movement.

Recently, the Communist youth movement staged a World Youth & Student Festival in Budapest, behind the Iron Curtain. A young American who attended, writing in a U. S. magazine article, said he was "appalled" by what he called the "defamation" of the West.

Among the hundreds of young delegates were 32 Canadians representing these organizations.

National Federation of Labor Youth
National Committee of LPP Students
The Canadian Tribune
Student Christian Movement
Canadian Seamen's union
United Jewish People's Order
Association of United Ukrainian Canadians
B. C. Woodworkers' International Union
CIO Fur and Leather Workers
"Vochenblatt" (Canadian Jewish Weekly)
Kossuth Sick Benefit Society (Hungarian)
Federation of Russian Canadians.

Except for the Student Christian movement, all are either outright Communist affiliates or front organizations. At least 20 of the 32 delegates were known Communists. Some were members of the "Beaver Brigade." This is a Communist youth shock troop group. Since the war, they have made annual trips behind the Iron Curtain to work with pick and shovel on Communist work projects.

The Canadian party also included a contingent of musicians, dancers and singers. At least two of them are members of the Toronto Symphony and one holds a staff position with the Toronto Royal Conservatory of Music.

The leader of the delegation was Norman Penner, long a Communist. He is the head of the LPP's youth movement. From him and his Quebec deputy, Camille Dionne, the conference got its report on the state of culture in Canada.

When he came back, Penner made a coast-to-coast tour carrying the Budapest message to the Canadian faithful and sympathizers.

What Penner and his world youth movement and all Communists are selling is totalitarianism done up in a fancy package. In a wrapper labeled "Democracy," it has been forced down the throat of much of Europe and now China.

Today more than ever before we should investigate before lending support to causes no matter how attractively presented. If we don't we are quite likely to find that our names and financial contributions are being used to undermine the very things we cherish most.

This is the Way to Trade

Canada's Resources Minister Winters did well to draw attention to Canada-Mexico trade in his speech in Mexico City last week. If we could even approach the same development elsewhere our biggest economic problems would be over.

Since the war Mexico and Canada have built up an exchange of goods more than ten times the value of prewar and the business is still growing. Moreover it is not nearly as lopsided as that with so many other customers, and is largely based on goods which are unobtainable in the buyer's country.

Our imports from Mexico last year totaled \$25 millions. Biggest single items were cotton and sisal but there were also substantial quantities of fruits, vegetables, coffee and spices. Our exports to Mexico in the same period were worth \$15 millions with the major lines wheat, newsprint, aluminum, machinery and equipment.

Wasting Their Time

A little note in an official clip sheet from Ottawa once again illustrates the folly of those who think that world agriculture can be put in a straitjacket.

Returns from the 1949 wheat harvest in France were so good, it is reported, that that country will probably have 500,000 tons for export this season. This is more than five times the quota allotted France under the International Wheat Agreement. And a lot of the other quotas fixed by the IWA will probably look just as foolish when the actual figures are in.

It just isn't possible for man to determine what any crop will produce six months hence, let alone for a period of years. The biggest wheat harvest in Canada actually came from an acreage that had been artificially restricted to substantially below normal. Almost inevitably whenever crop control is attempted that is the result. Not only does Nature refuse to co-operate but the average grower doesn't either. When ordered to cut acreage he naturally takes his poorest land out of cultivation and is able to give greater attention to the rest.

Could Learn From Sweden

Canada's Socialists can learn a thing or two from Sweden as Robson Black revealed in an article from Stockholm in The Financial Post recently.

Neither the people of Sweden, whose economy is not unlike our own in general structure, nor the government, Socialist these past 14 years, he points out, will have any truck with public ownership of industry. Labor forces are convinced their best interests lie in the continuance of private enterprise and are almost militantly for its furtherance. Mr. Black quotes from Socialist Premier Tage Erlander and the Swedish Labor Federation to substantiate these points. And it is to be noted that the Socialists have been a predominant political force in Sweden since World War I.

Napier Moore's Scratch Pad

SO YOU'VE GOT a miserable cold in the head? And you've got to figure out your income tax? Well, Well!

A short time ago we were going out of our office building when a man we know went by in a hurry. He was almost running. We hailed him. He turned and never did we see a face reflect greater happiness. Without slackening his pace he pointed up University Avenue and shouted, "Look! Walking!"

We looked. Coming slowly down the sidewalk from the General Hospital, aided by two canes, but alone, was his daughter. A victim of polio, for two years she had been in hospital. For many months there was doubt that she would ever walk again. And here she was, taking her first short walk outside; intending to surprise her father by meeting him as he left his office.

The other night we dropped into a home to find the family in a whirl of excitement. All because a young matron they knew had gone to a military ball with her husband. She couldn't dance; not yet. But she had walked into the ballroom. For two years she too had lain, unable to move her limbs for months, while her husband finished his university course, earned a living and looked after their infant.

Medical science is doing wonderful things. But no more wonderful than human will, patience and devotion.

* * *

IN THE BRITISH COMMONS, during a debate on self-government for Scotland, Robert Boothby appealed to his fellow Scots in the House not to abandon the poor English in their hour of need.

One of these days somebody is going to demand Home Rule for England.

* * *

IN HORROR and indignation The Financial Post recently protested against a trigger-equipped fishing rod being offered American "sportsmen." The gadget is designed to shoot the lure wherever the angler desires, thus reducing the art of casting to a mechanical operation.

In a soothing letter, Ross A. Stewart of Montreal says: "Dinna fash yersel'. Such 'aids' to fishing, in my long experience, are like the millions of brightly-colored flies, lures and gear turned out annually by the trade. A moment's calculation shows that if every new device lived up to its advertising the pot-fisherman and fish-hog would long since have rooted out the last finny denizen from our waters. No! The purpose of such aids is to catch 99.999% fishermen and .001% fish." Mr. Stewart is willing to bet his best "no-thumbing-no-backlash-wormdrive Katchalot, Kasting Reel against a leaky minnow-bucket" that most trigger-rod anglers will become a "demented piscator, red with wrath by the river's brim, calling on his Maker to witness the perfidy of the individual who sold him the delusion he could catch fish with the blank double blankety blank crossbow that has just shot his favorite real silk line with Williams Wobler complete into the aery top of yon tall poplar across the stream."

* * *

SEVENTY ODD YEARS ago there used to be a bar in the basement of the Ottawa parliament building. Drug Merchandising tells us that in 1874 MPs who "inspected the cornerstone" were uneasy. They were haunted by spectres in the form of petitions. Bearing 36,000 signatures, 447 petitions had flooded Parliament Hill. What they demanded was prohibition.

The legislators held the view that what was needed was a ban on impure spirits rather than on spirits as a class. So they passed a bill entitled "An Act to Impose License Duties on Compounders of Spirits and to Amend the Act respecting Inland Revenue and to Prevent the Adulteration of Food, Drink and Drugs." It became operative January 1, 1875.

And that was the beginning of the Food and Drugs Act we know today.

* * *

KEEPING BIRDS away from airports is a universal problem. They fly into aircraft propellers, with unhappy results to themselves and sometimes costly damage to planes.

In England, the RAF maintains squadrons of falcons trained to clear the skies of unwanted feathered life. In Canada we rely on the sound of engines to scare it off. But pilots who use Toronto's Island Airport, which is surrounded by the lake, tell us that gulls are a perpetual headache.

In the U. S., a Lieut. Lederer has come forth with a new idea — "Collect the eggs from the nests, hardboil them and return them. The birds will become discouraged and move away."

* * *

AN EXHIBITOR at the British Industries Fair who makes drilling apparatus is going to demonstrate the efficiency of his product by boring a hole 1,000 feet deep.

It would be fun if he struck oil.

Stop Me If —

A Sunday school teacher had been telling a class of little boys about crowns of glory and heavenly rewards for good people.

"Now tell me," she said at the close of the lesson, "who will get the biggest crown?"

There was a silence for a while when Johnnie replied, "Him wots got the biggest head."

* * *

A sailor was in court for fighting.

"Your honor," he told the judge, "I was in a telephone booth talking to my girl and a guy wants to use the phone. So he opens the door, grabs me and tosses me out of the booth."

"And that made you angry?" asked the judge.

"Well, yes," replied the sailor, "but I didn't get really mad until he grabbed my girl and threw her out too."

COMES THE RECKONING

Cartoon by Grassick.

Post Scripts

Planes, Guns and Sailing

When James Geoffrey Notman recently became executive vice-president and a director of Canadair Ltd., he was entering an organization which was not entirely strange to him.

For while he had spent all of his life, since graduation in engineering at McGill, with Dominion Engineering Works, he had nevertheless been active in the setting up of the company's aircraft plant in the early days of the war. At that time he was doing special investigation work for the Department of Munitions and Supply, and subsequently set up and ran on behalf of the Crown, a gun plant for the manufacture of the six-pounder and two-pounder anti-tank guns and naval mounts at Longueuil, Que.

MR. NOTMAN

The tall, hefty Notman, who will be 49 in May, had been manager of manufacturing at Dominion Engineering for 19 years, became a vice-president of the company last year. He's been active in peacetime military planning on the industrial side as acting chairman of the Industrial Defence Board since 1947 and president of the Canadian Industrial Preparedness Association since 1948. He's also a director of Canadian Arsenals Ltd., the Crown company which operates Canada's seven arsenal units.

In addition to his experience in gun manufacture, Geoff Notman had a variety of other jobs during the war which have given him a natural and informed interest in military planning. He was assistant co-ordinator of production for all phases of war production in Munitions and Supply; chairman, Machine Tool War Service Committee; member, Joint Arsenal Planning Board. In 1945-46, he was associate director general, industrial reconversion, in the Department of Reconstruction and Supply. In 1947-48, he was vice-president and a director of the Canadian Ordnance Association.

In his days at McGill, Geoff Notman played intercollegiate football, was active in sports generally. He used to play a lot of golf, but his game has fallen off in recent years because he's had little time for it. The Notmans like to get away to their country home at Ste. Agathe in the Laurentians as often as possible for skiing in the winter and sailing in the summer. Their house has a fairly complete workshop in which Mr. Notman and his son-in-law (he has two daughters) built a runabout last winter for competition in the summer boat races.

* * *

In Business Since Sixteen

When you start your business career at the age of 16 after having worked on a farm to help out with family expenses, you haven't much time for reading, writing and arithmetic, and a college education is something merely to dream about; as likely as becoming president of a million-dollar company.

Robert John Dinning, newly appointed president of Calgary's Board of Trade, never got the college education or the degrees that go with it, but he did work on a farm, he did start out as a junior bank clerk at 16 and he did become president of a multimillion-dollar company.

Born in Strathroy, Ont., on May 9, 1884, Dinning has reached the top in the western business world. In addition to assuming the presidency of Burns & Co., Ltd., the presidency of the subsidiary company Palm Dairies Ltd., and vice-president of Burns & Co. (Eastern) Ltd., and Consolidated Fruit Co., Ltd., he gives much of his time to board of trade activities, having taken an active part in trade board functions for the last 30 years.

Although he holds membership in three Calgary golf clubs, "R. J.," as he is known to intimates, finds little time for play.

His special interest is in mixed farming and livestock improvement and he spends any spare time he has reading, something he was unable to do in his earlier days in business when it was necessary to work long hours to keep himself and family out of the red.

Today he arrives at his office at Burns and Co. between 9 and 10 and leaves about 5 but his business day is rarely over before late evening, for invariably there is a cocktail party or business meeting to attend in connection with one of the many appointments he holds.

From the Merchants Bank of Canada, which he joined at the age of 16, Dinning went to the Bank of Montreal, leaving that organization as manager of the Lethbridge branch in 1924. He was appointed chairman of the Alberta Liquor Control Board, remaining with the Provincial Government until 1937 when he branches out on his own as a representative for eastern investors.

Joining Burns & Company in 1942 as executive vice-president, Dinning was appointed president in 1945. During the war years he was a member of the N.S.S. Board and the Provincial War Finance Committee. At present he is a member of the Red Cross executive and on the advisory board of the Salvation Army, taking a keen interest in community affairs.

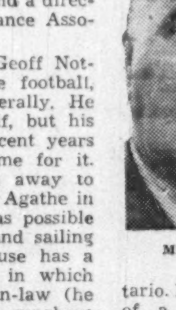
Of average height—about 5 ft. 11 in., Dinning is in excellent health and physical condition. His grey hair is thinning on top and he has cut his smoking down to a few cigarettes and a pipe or two each day. Often swearing off smoking, he has never quite got around to it but makes many tries.

The Dinning family consists of two daughters and one son.

* * *

Paintmakers' Spokesman

J. Arthur Brodie is 37th president of the Canadian Paint, Varnish and Lacquer Association, one of the oldest trade bodies of this kind in the country. He was elected at the annual meeting in Toronto last month in succession to G. C. McEwen.



MR. BRODIE

Born and educated in the motor making city of Oshawa, Brodie set out to carve a business career by heading into the newly developed Northern Ontario. In a short time he was manager of a thriving hardware store in Cochrane. He followed this with a period of selling hardware on the road in Northern Ontario. It was as a traveler that he first entered the paint business, selling for the Sanderson Percy company of Toronto.

Then came an urge to go West. Brodie joined the Marshall Wells company of Winnipeg as a paint salesman covering the three Prairie Provinces. Later he held responsible positions with that company in Edmonton, Regina, Winnipeg and Vancouver.

In 1940 Brodie was recalled to Winnipeg from Vancouver to assume management of International Laboratories Ltd., a subsidiary of Marshall Wells. He was president of the Paint, Oil and Varnish Club of Winnipeg in 1947 and 1948; Chairman of the Community Chest of Greater Winnipeg in 1947 and continues to be active in the Chest work.

Arthur Brodie is also a member of the Executive of the Canadian Manufacturers' Association, Executive Committee of the Industrial Development Board of Manitoba, Board of Referees of the Unemployment Insurance Commission, the Manitoba Club and the St. Charles Country Club.

What Others Are Saying

Editorial of the Week

Immigrants and Jobs

Edmonton Journal

The House of Commons has heard some extraordinary economic theories during the years, but seldom has it heard a more extraordinary charge than that 375,000 Canadians are listed as unemployed today because 360,000 immigrants were brought into the country since the war ended. The accusation was made by P. E. Gagnon, an Independent representing the Quebec riding of Chicoutimi. The similarity of the totals must surely have swept Mr. Gagnon off his mental feet.

Far from the 360,000 "new Canadians" putting old Canadians out of jobs, they created more work for all.

Their arrival in the country meant 360,000 more consumers of Canadian foods, clothing, shelter and services. The 360,000 meant that many more buyers of goods and services, which in itself is a considerable market.

It is a demonstrable fact that in the years before 1914, when the tides of immigration flowed most strongly into the dominion, the country prospered greatly.

Every immigrant capable of doing a day's work is another mouth to feed, hence another "market" for farm products.

Every immigrant who can earn a day's pay is a buyer of the goods and services produced by all wage earners.

Every immigrant who can make or do something is a producer and adds to the wealth of the country.

Other People's Views

MAKE SURE our new highways are kept clear, urges the **Ottawa Journal.** "All too often in the past, costly highways have been built to by-pass narrow main streets in towns or cities but before the new road was in use it was lined with cheap shacks, hot dog stands and garages."

EVERY DOLLAR spent by a government in the supposed interests of employment, warns the **Vancouver New-Herald,** "is a dollar abstracted from industry with corresponding disemployment. The notion that a dollar spent by a government gives more work than the same dollar expended in industry, is a fallacy."

JOHN LEWIS' coal victory may prove a boomerang, thinks the **Almonte (Ont.) Gazette** "It spells the end of the industry as a vital one in the United States. It will only speed up the conversion of industry and domestic users to other kinds of fuel such as oil and electricity. In a few more years the soft coal miners will be welcome to strike as long as they like and get as drunk as they want in their taverns because no one will care except their own starving dependents."

TIME TO CALL A HALT to the greediness of the politicians, declares the **Brooks (Alta.) Bulletin.** "Members of the House of Commons now get \$6,000 a year, of which \$2,000 is income tax free. They also get railway passes and other perquisites. A move is now on foot to raise the pay to \$10,000 a year with \$4,000 a year pension in case of defeat at election. They also want free transportation on Trans-Canada Airlines. The senators are also after free airline passes and railway passes for their families."

ALBERTA'S soaring oil revenue will continue, thinks the **Edmonton Journal** which does not agree with the official budget forecast of lower income from this source this year. "That estimated drop of more than \$10 millions in revenue from oil development during the current year as compared with last year is what can be fairly described as understatement, or as overcaution. When he is not speaking as provincial treasurer presenting his budget, but as premier extolling the present and future of Alberta, Mr. Manning himself will tell you that we are 'just on the threshold of our development.' Mr. Tanner, minister of mines and minerals, says so, too. The \$14.8 millions oil revenue officially estimated for the coming year is more likely to be \$24.8 millions, or even \$34.8 millions!"

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Mar. 18, 1950

How Britain, Europe Are Planning Trade Invasion Here

Here's Preview of Third Trade Fair; Accent is Heavily on Import Side of Our World Trade

How's Canada's Third International Trade Fair shaping up? What opportunities will it present to Canadian businessmen? How will Canadian industry be represented? What representation from overseas? How will it reflect current world trading conditions?

The Financial Post put these questions last week to Trade Fair Administrator Reginald H. Dayton. Here are the answers as given in an exclusive recorded interview with Mr. Dayton.

The Financial Post: What's the object of the Trade Fair?

Mr. Dayton: For the answer to that we have to go back to the immediate postwar period when it became obvious that, being so largely dependent on the flow of foreign trade, we would have to do everything we could to assist in getting world trade flowing again. The Trade Fair represents part of that effort. International in scope, its purpose is twofold: to develop the export of Canadian goods while at the same time making it possible for countries abroad to show their products to this market.

Q.: The way it looks right now for this year's Fair, aren't we getting a lot more foreign exhibitors than in previous years; in short, doesn't this year's Fair look as though it will be predominantly an "import fair"?

A.: True. At the Trade Fair we have a visual example of world trade and the movement of world trade. If the other countries have sufficient money to buy from us you would see, as in the first year, when we thought they had the money, a preponderance of Canadian exhibtors. As that goes down other exhibitors from abroad requiring dollars would naturally use, and are using, the Trade Fair as the quickest means to show their products to a maximum number of businessmen of this country.

Q.: In comparison with the first two fairs what's the ratio of foreign exhibitors to Canadian?

A.: In 1948 we had 60% Canadian, 40% from abroad. Last year it was the other way round. This year it looks like 70% foreign, 30% Canadian.

Q. Are you satisfied that Canadian exporters are supporting the Fair as much as they should?

A.: They could be missing an opportunity of using the Trade Fair as a means of enquiring into the possibilities and ways of developing business with these people from abroad. It must be accepted that if exports are closed off due to a company not having dollars the export manager's budget is reduced and he just hasn't the money to spend. Unfortunately many of the companies have not realized the fact—and possibly the fault is ours—that we have oversold the Trade Fair in Canada as an export proposition, whereas the very international aspects of it make it naturally more a domestic proposition than export in view of the preponderance of Canadian buyers.

Britain Leading Exhibitor

Q.: How many countries all told are coming in this year from abroad?

A.: At the present time we have definite applications from some 42 different countries.

Q.: Who would be leading among these countries? Britain? What's the percentage of space the British have taken?

A.: The British will have something in the neighborhood of 30% to 35% of total space. It's very hard to say exactly, now, because many U. K. companies, who will be exhibiting have applied for space through their Canadian agents and until we have all the details in we just can't give a true percentage on this. But there'll be at least twice as many British exhibitors as there were last year.

Q.: What are the fields they are putting the greatest emphasis on?

A.: Capital goods, definitely. Machinery, machine tools of every type.

Q.: Have the British and other foreign countries made a bigger effort to make things easier for exhibitors and visitors to come here this year; in the way of easing up of currency allotments?

A.: Yes, very definitely. The United Kingdom in one instance is actually subsidizing the efforts of one industry to enter this market and we have examples of Australia which has eased controls to allow visitors to come to Canada. We have France, Belgium, the Netherlands.

More Representative of Canada

Q.: Getting back to Canadian exhibits again, are we getting a more representative Canadian picture this year than we have had in previous years?

A.: Definitely. As an example of that, we had a meeting today with the Port of Halifax authorities, representing the co-ordinated effort of the Board of Trade, the City of Halifax and business interests there to exhibit and develop interest for the Port of Halifax. Yesterday I had a telephone call from British Columbia dealing with the B. C. timber, B. C. electric and agricultural products and we already have exhibits from every one of the prairie provinces, all supported by their provincial governments as well as by industry there. As to individual firms, as an example, whereas we had three exhibitors from Manitoba last year I would say right off the bat that we have today 19 from Winnipeg alone.

Q.: What about the United States? Are they exhibiting to any greater extent than in previous years?

A.: Yes. Their representation will be greater than in the last two years, but it still leaves a great deal to be desired. However, as you know, there is a great misunderstanding about American exhibitors. The large proportion of American companies having Canadian affiliates, subsidiaries or having their product manufactured here under license consider that the Canadian company should look after the whole kit and kaboodle. The Canadian company in turn considers it a national show and that their home office or affiliate in the States should assist the effort financially and it's quite frankly a job of still further education with these people to point out the division of responsibility between domestic and export sale.

The percentage of United States firms who consider Canada an export problem is very small. The majority of manufacturers and producers in United States sell Canada through their domestic sales managers and domestic sales forces. That is true right across the board. The domestic sales manager feels it is an export problem; when it comes down to laying it on the line he has no money to spend. And that is one of our major problems.

Q.: What about business visitors from United States?

A.: That, again, is a matter of education. Those who have come up have been in many instances very complimentary as far as their reception here is concerned. They have been more than keenly interested in the products they have seen and have said they were coming back again. It's a very big job, just the same as it's a big job to sell Canada to the United States, to convince businessmen down there that here is actually some place they can see products and markets that they can't see in their own vast, leading country.

Long-Range Selling

Q.: What about some success stories from past fairs? Hasn't it been that too many people think of the trade fair as a short-term sell-on-the-spot proposition?

A.: Yes, I'll give you one example which caused us a bit of concern in the sense of the exhibitor's misinterpretation of the purpose of the fair. A large rug manufacturer from Ireland in last year's fair was somewhat critical at the amount of business he had done. But in the last couple of weeks we received a letter through our Trade Commissioner's office over there which was somewhat of an apology for those comments. This firm stated that in the months after the fair and up to the writing of this letter their participation had more than justified itself in the number of orders actually received in that time, in other words, developed from contacts made at the fair.

About three weeks ago we had a visit from one Canadian and American company. When they came in the office I was just saying to myself, well, here it comes, another of these great howls, demands for this and demands for that. But when they came in they told us that as a result of last year's trade fair they had shipped something like $450,000 to 11 countries with whom they had not done business before and they were contacts which the American principals definitely made at the Trade Fair.

There's another example, too, of a perfectly normal operation between a Canadian department store and an Italian manufacturer of a very unusual type of furniture at the Fair and they exploited it with special promotion and did a remarkably good business with it and reordered that type of furniture three times from the Italian supplier. They got a new product at the Fair, they did an exceptionally good business with it in Canada. There is the Canadian operator doing well at it, the buyer doing well, the seller did very well and we provided Canadian funds to Italy to encourage buying more Canadian products from us. It's an example of a routine operation where everybody, the Canadian buyer, the foreign seller and the economies of two countries did well at it. It happens again and again.

Brings in New Industry

Q.: Doesn't the fair possibly also represent an opportunity for broadening the base of our own industry? I am thinking of people from abroad who exhibit here and as a result decide to manufacture here after seeing what sort of competition they're up against.

A.: That happens again and again. A great many industries have been started in Canada which were initiated through the Trade Fair. They came over to try to sell and discovered that perhaps the best way to do it would be to manufacture in Canada either with a factory or under license.

Q.: Can you give me a quick example?

A.: There's Cossar at Halifax (U. K. radar and electronics producers) set up last year.

And there is one going on at the very moment. An exhibitor at last year's fair is currently negotiating with a Toronto firm for the purchase of one of their plants which is not currently operating. Announcement of the opening of that plant is going to be made at this year's Fair. This plant is in a smaller city close to Toronto which currently is not employing any persons through this particular building and which will, they hope, be in operation by the end of this coming summer.

How Much Public Money?

Q.: How much in public funds goes into the fair?

A.: The budget for 1949 was $1,009,000. In 1950, $909,000.

Q.: How much of that do you expect to get back through renting of booths, etc. What did you get back last year?

A.: We might get back something under half a million dollars, but you must also realize that the Department of Revenue collects a great deal in taxes on these products which would not otherwise have come into the country. You can consider those as direct returns. Indirectly, of course there is no cost to the thing. Exhibitors themselves spend two to three times what the Canadian government put up. That is new money coming into the country.

Q.: This being the third of the trade fairs would you say that the success of this will decide whether it will become an annual event or not?

A.: I wouldn't say so. I'd say that this is the year on which the department, the exhibition commission, and therefore the trade fair administration must show the results of their work over the past three years. In other words we've got to come up to scratch and put on a trade fair which in service—and that's mainly the thing we offer—is equal to or better than trade fairs abroad. As to whether or not the trade fair justifies itself from a business point of view I don't think this year or any one year or any two years could definitely hold an answer. It has to be considered more broadly than that as part of the promotion and development of Canadian trade both domestic and international, as part of a whole over-all picture, rather than as one segment.

Q.: You have more space for the fair this year than last year, have you?

A.: We have about 40% more space than we used in 1949 and right now have more exhibitors.

Q.: Is there still time to exhibit?

A.: In certain products to date we have been able to accommodate all applicants coming within the limits of our rules and regulations, and we can still take on exhibits and provide space in practically every group classification.

Here Are Highlights in Fair Plans

Just about every third exhibitor you talk to at this year's Trade Fair will be from Britain. The second of that trio may be from any one of probably 30-odd countries overseas; the third likely a fellow-Canadian.

That's the way it looked this week as final shape for the Fair to be held in Toronto, May 29 to June 9, emerged in some detail with plans settled for exhibits by nearly 1,000 firms from 30 nations. Plans for scores of other firms in another 12 countries were still under negotiation.

The Fair will be 40% bigger this year, with greatly increased international participation — at present seven overseas booths to every three Canadian — and a greater variety of both industrial and consumer goods.

In the general drive among soft-currency countries to earn more dollars to spend in Canada, many countries have sharply increased the scope and variety of their exhibits over previous years. They are joined by two newcomers: Spain and Germany, both widely represented.

The British, largest exhibitors from overseas at the two previous fairs, likely will end up this year with more space than that taken by Canadians, thus accounting for more than 30% of the total 180,000 sq. ft. (exhibit space is 40% greater than last year). The British are represented in all 20 trade groupings.

Said Trade Fair officials in urging Canadian businessmen to make a visit to the Trade a "must":

"Two things stand out from the point of view of the Canadian businessman. First is the opportunity to save dollars by establishing new sources of supply for necessary imports, and at the same time provide our overseas customers with the funds they need to maintain or increase their purchases from us.

"Second is the advisability for attendance at the Trade Fair of company personnel in addition to the obvious top executives, department heads and buyers. Merchandise men can develop profitable sales ideas there. Office managers and plant officials will see new equipment for improving efficiency and cutting costs. There is something of interest and possible profit to attract every businessman, whether he works for himself or for others . . . and plenty to fascinate the general public.

Here are a few of the highlights of the Fair to date:

—In the British capital goods display, in which representative goods produced by over 100 firms will be shown in a 35,000 sq. ft. block of space, will be 250 machines under power and in operation.

—German woolen and worsted dress goods, Spanish and Indian textile goods will be shown at the Fair for the first time.

—Belgian, Italian and French textile manufacturers are stepping up their textile showings.

—Newfoundland is showing furs and sealskins.

—A British textile exhibit will tell the story of weaving and spinning from the Stone Age on. Other British firms will be showing a whole new range of woolens, worsteds, synthetics specially designed for the Canadian market in 1951.

—A Spanish jewelry firm is making its debut in the North American market at the fair.

—A British composite exhibit in jewelry will feature the products of 100 leading firms in the industry.

—Spanish leather goods will be seen for the first time in North America. So will Spanish dolls and bicycles.

—German chemicals, both industrial and for food processing, will be exhibited for the first time. So will German steel in various structural shapes.

—There will be cutlery and small tools from Germany for the first time postwar.

—The Canadian subsidiary of a U. S. plexiglass and plastic firm has a 14,000-lb. store modernization exhibit which recently toured U. S.

—Canadian home furnishings will be augmented by specialty items from Britain, Spain, Czechoslovakia, Belgium, the Netherlands, Italy, U. S., Yugoslavia.

—An Australian firm feature a washing machine that works by utilizing sound waves.

For the first time, prestige and informational exhibits are being allowed by Canadian transportation companies, provincial industrial development bodies, public utilities, industrial and marketing associations, etc.

Among such exhibits scheduled so far are: a display of Quebec handicrafts; a composite display of B. C. industry and potentialities; another of Alberta's power, utilities and industries.

The U. K. Board of Trade, the Belgian Office of Foreign Trade, and the Dutch Oranji steamship line and K.L.M. air services have also taken space.

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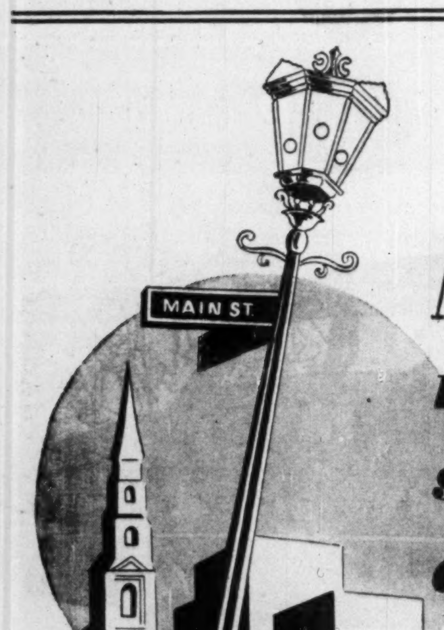

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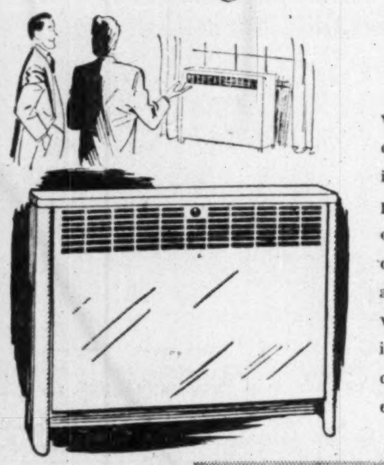

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Street Lighting, etc.	396,000.00
Park Improvements and Branch Library	450,000.00
Hospital Accommodation	250,000.00
School Buildings, Sites and Equipment	1,000,000.00
	$4,879,000.00

SCHEDULE SHOWING INTEREST RATE AND AMOUNT OF PRINCIPAL TO BE PAYABLE ANNUALLY

Year	Rate	Principal
1951	3¼%	$ 128,000.00
1952	3¼%	132,000.00
1953	3¼%	136,000.00
1954	3¼%	141,000.00
1955	3¼%	146,000.00
1956	3¼%	150,000.00
1957	3¼%	155,000.00
1958	3¼%	160,000.00
1959	3¼%	165,000.00
1960	3¼%	171,000.00
1961	3½%	176,000.00
1962	3½%	182,000.00
1963	3½%	189,000.00
1964	3½%	195,000.00
1965	3½%	202,000.00
1966	3½%	209,000.00
1967	3½%	216,000.00
1968	3½%	224,000.00
1969	3½%	232,000.00
1970	3½%	240,000.00
1971	3½%	248,000.00
1972	3½%	257,000.00
1973	3½%	265,000.00
1974	3½%	275,000.00
1975	3½%	285,000.00
		$4,879,000.00

Debentures to be dated April 15th, 1950.
Interest payable half-yearly on the 15th days of April and October.
Provision can be made for registration of principal.
These Debentures are payable as to both principal and interest at the Bank of Montreal and in Canada only.
Parties tendering are required to state the net price for Vancouver payment and delivery of the Securities. If desired, delivery will be made elsewhere at the purchaser's expense.
No proposal for less than all of the bonds will be considered.
Envelopes containing the bids should be plainly marked "Proposal for Bonds".
A certified cheque payable to the City Treasurer for $20,000.00 must accompany each tender as a guarantee of good faith on the part of the bidder. No interest will be allowed on the good faith cheques.
The right is reserved to reject any or all bids.

FRANK JONES,
City Comptroller.

Who Is Canada's Best Known Author?

The Question: What book or author since the beginning of the century has brought most prestige to Canada?

The names of 24 Canadian writers were given in replies to this week's Financial Post question, with three of them outstanding.

Majority opinion placed Stephen Leacock as the writer who has made the greatest contribution of any Canadian to the literary prestige of this country during the past half century — with his book "Sunshine Sketches of A Little Town" taking first place in humor.

In selecting in second place Mazo de la Roche, correspondents shower unstinted praise on her "Whiteoaks of Jalna." Her books they point out (21 books in 26 years) have sold more than 1,500,000 copies in the U. S. alone; in Europe have been translated into 15 languages.

The third writer mentioned, Louis Hemon, has been recognized for his "Maria Chapdelaine" which ran 24 editions and sold 700,000 copies in France.

Respondents, among whom are several U. S. literary leaders, also mentioned outstanding Canadian poets, scientific writers and others in various fields who have made great contributions to Canadian prestige abroad and at home.

F. F. APPLETON, Chairman Board of Directors, Wm. Collins & Son Co. (Canada) Ltd., Toronto.

It is difficult to nominate one book that has brought most prestige to Canada this century. All fiction, nonfiction and biography have been regional. Mazo de la Roche and L. M. Montgomery head the list, followed closely by Louis Hemon, Grace Campbell and Hugh MacLennan.

The best Canadian novel in my opinion is by Frederick Phillip Groves, "In Search of America."

My nomination for best Canadian book interpreting various regions of Canada one to another and to foreigners is Bruce Hutchinson's "Canada, The Unknown Country," closely followed by John B. Robbins, "A Pocket-full of Canada," which contains 200 selections from 140 authors from various regions which give a wide description of Canada. It was selected by UNESCO to give a picture of Canada to Europeans; that in itself is its best recommendation.

* * *

H. B. CHANDLER, President, Maritime Library Association, Charlottetown, P.E.I.

Author Stephen Leacock brought most prestige to Canada in the present century. His humorous, pointed criticism of mankind's failings is universal enough to charm Americans and Britishers into the conviction that the provincial unwaggish Canadians met with are untypical. A nation producing one good humorist certainly deserves a permanent Security Council seat and consideration as world power. Leacock's work is a continual reminder to outlanders that Canadian vigor is not necessarily accompanied by naivete.

* * *

THOMAS B. COSTAIN, Lakeville, Conn., First editor Maclean's Magazine, later chief associate editor Saturday Evening Post, now writing historical novels.

The books of Ralph Connor and Gilbert Parker had great popularity in their day but are little read now. I attempted to read Maria Chapdelaine again recently but found that it did not hold my interest. I feel very certain that the books of Stephen Leacock have done more to familiarize the people of the world with Canada than any other writer. Particularly his "Sunshine Sketches of a Little Town." If, however, you had not confined the choice to books I would have named the greatest bit of writing ever done by a Canadian "In Flanders Fields" by John McCrea.

* * *

ROBERTSON DAVIES, Editor, Peterborough Examiner; author and playwright.

It is a difficult question, for it seems to me that in the long run the greatest prestige may result from R. A. Wilson's "Miraculous Birth of Language," although this is little known at present in Canada. Nevertheless, it is a work of large philosophic implications which has impressed critics abroad and boosted Canadian scholarship and thinking a notch in the world's estimation.

About the author who has brought prestige, there is no question. Stephen Leacock is the man, though the great pity is that he was not widely known outside this country as a Canadian and was assumed to be an American by hundreds of thousands of readers. His stature as a humorist is not yet fully recognized, nor has there been a truly understanding study of his work.

* * *

WILLIAM ARTHUR DEACON, Literary Editor, Globe & Mail, Toronto.

Richard Albert Wilson's miraculous "Birth of Language" is Canada's only book of world significance so far. It affects every human being and his revolutionary theories have been unchallenged during 12 years. Mazo de la Roche is read by more people in more countries than any other Canadian, but Canadian literature is broader than any single reputation. Sir Charles Roberts established writing as a profession and invented wild life fiction while Stephen Leacock is the most representative figure of the past half-century. The real point is that one thousand good writers are now producing one hundred worthy books yearly, plus material for periodicals, radio, stage and screen.

* * *

JOHN MURRAY GIBBON, Former Public Relations Counsel for CPR, Montreal.

For the Canadian book with the greatest prestige, my vote is for "Maria Chapdelaine" by Louis Hemon. It was originally published in Les Temps of Paris, 1914, with small edition, then two English translations of which W. H. Blake's was published by MacMillan and had run through 24 editions by 1938 resulting in French revival of 700,000 copies. A museum has been erected to Louis Hemon at Peribonka and a memorial stone by the Societe de Saint Jean Baptiste at Chapleau, Ontario, where he was killed by accident. This book is known internationally.

* * *

WALTER HERBERT, Director, The Canada Foundation, Ottawa.

Mackenzie King's "Industry and Humanity" in numerous editions and translations has been for many years top ranking authority in many countries as guide for legislators and labor relations negotiators and as a university textbook. Although not very well known in this country, the book serves to promote world-wide reputation for Canada as a leader in social welfare and industrial understanding. In the United States particularly the book has brought much credit and prestige to Canada.

* * *

KATHLEEN JENKINS, President, Canadian Library Associations, chief Librarian, Public Library, Westmount, Que.

I would select Stephen Leacock prominently famous as a humorist but also historian, biographer, economist, with British and American editions of all his major works, with many foreign language translations, a popular lecturer in the United States, Great Britain. Many people judge him the greatest American humorist since Twain and feel that high level of his comic work assures him of international fame. Cumulative over-all impact of his work in various fields is one of greatness and this, added to his unique personality, seems to mark him as one who has brought prestige to Canada.

* * *

F. I. KER, Editor, The Hamilton Spectator, Hamilton.

I am of the opinion that Stephen Leacock made the greatest contribution of any Canadian to the literary prestige of this country during the past half-century.

The versatility of his fine scholarship was amazing, ranging as it did through the classics and economics to modern science. A fine sense of humor characterized nearly everything he wrote, bursting hilariously on occasion in such stories as "Nonsense Novels" and "Sunshine Sketches of a Little Town," the latter of which I regard as his best and most popular book.

* * *

FATHER ATHOL MURRAY, President, Notre Dame College, Wilcox, Sask.

W. L. Mackenzie King, by any form of realistic world influence, rates easily, by his masterly addresses, top recognition in Canadian letters. His idealism it is that lifted Canada to the status as a world power and made it flourish in war and peace in significance and splendor.

With Lorne Pierce, in academic sense, Marjorie Pickthall comes highest, with Mazo de la Roche very close. Who but Lorne Pierce could qualify actual merit with valid authority. Yet Pierce quotes, and with obvious approval, Archibald MacMechan, characterizing Michael Williams the "Book of the High Romance" as the most beautiful book ever written by a Canadian.

Thank God a Canadian is among the goodly company now effectively asserting in a materialistic world the primacy of the spiritual. Nonetheless to me, by criterion of obvious achievement in national and world affairs, Mackenzie King is the leading Canadian humanist. John W. Dafoe is not far behind.

* * *

GLADSTONE MURRAY, Policy Counsel, Toronto.

In my opinion Stephen Leacock has brought most prestige to Canada since the beginning of the century. During many years abroad I observed how Leacock's writings lifted Canada out of the Kipling conception of "Our Lady of the Snows." A great humanist, a great economist, a master of words, Leacock leavened all his work with irresistible humor. In teaching Canadians for the first time to laugh at themselves he made Canada attractive to the vast multitude of his admirers throughout the world.

* * *

HUGH WHITNEY MORRISON, CBC International Service, Montreal.

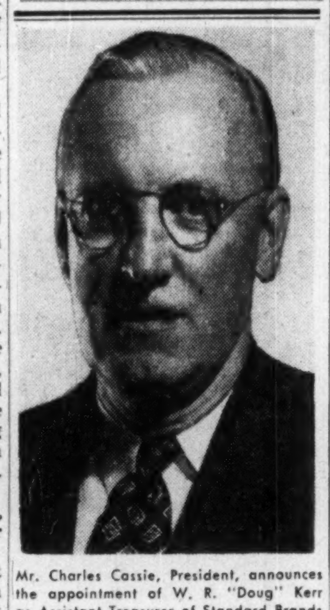
Leacock and Service in English and Hemon in French are probably most widely read Canadian books in those languages. But none is wholly or specifically Canadian. More than 40 years ago the distinguished French historian and economist, Andre Siegfried, wrote a book, "Canada Les Deux Races," which is still in many countries abroad the only readily available book about Canada. But in 1937 Siegfried published in Paris a sequel, "Canada, En Pouvoir International," which was translated into English, "Canada, An International Power," and published in London. It has been revised since the war. This comprehensive study of Canada's role and future by such an internationally known authority is in my opinion best fitted to qualify for your book that has most enhanced Canada's prestige.

* * *

PAUL PELADEAU, President, Societe Des Editeurs Canadien, Montreal.

"Maria Chapdelaine," by Louis Hemon, seems to be the answer

(Continued on page 9)



Mr. Charles Cassie, President, announces the appointment of W. R. "Doug" Kerr as Assistant Treasurer of Standard Brands Limited.
Mr. Kerr has been associated with the Company for many years and more recently had held the position of Credit Manager.

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ERIC O'CONNOR — F. W. McLAUGHLIN

Frank Stone, President of Rolph-Clark-Stone Limited, announces the election of Eric O'Connor to the Board of Directors. Mr. O'Connor is Vice-President and General Manager of Benallack Press Limited, Montreal, which was recently acquired by Rolph-Clark-Stone. F. W. McLaughlin continues as the Company's Sales Manager in the province of Quebec.

CALDER-BOUSQUET GOLD MINES announces plans for a new drilling program to test anomalies indicated by last year's geophysical survey on previously untested ground on the Bousquet twp. property. An indicated bend in the main Cadillac shear will also be investigated. It is stated that a machine will be moved in as soon as weather permits. The company has more than $40,000 in the treasury.

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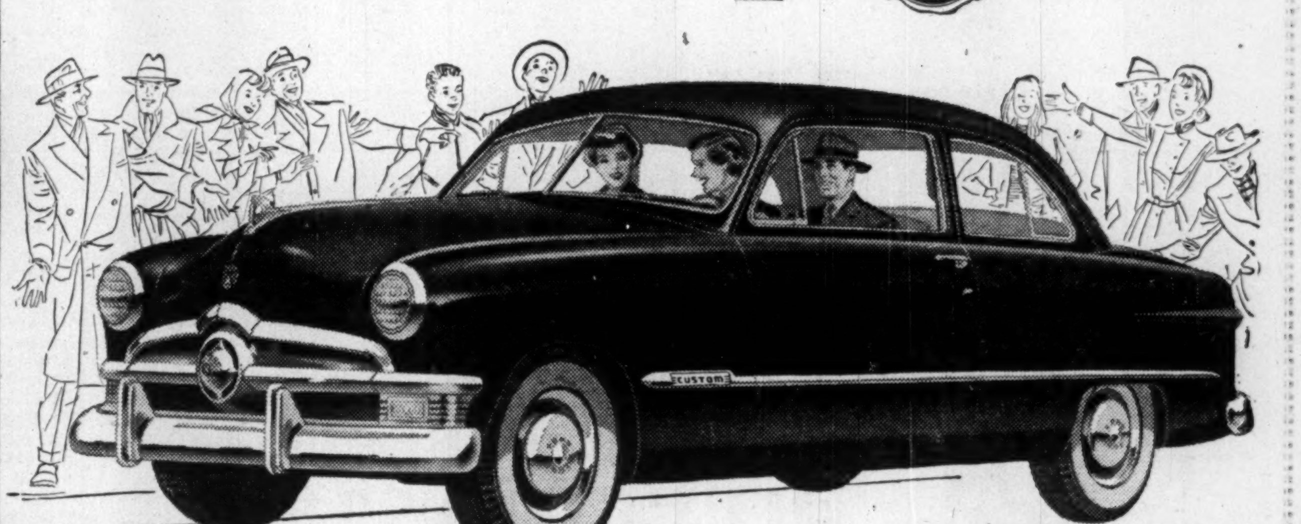

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1 Royal Bank Building, Brandon, Man.

WSA

Many Nominated in The Post Question As Canada's Top Author in 50 Years

(Continued from page 8)

to your question. Its large audience all over the world has made Canada known very widely in countries where we had no contacts. "Maria Chapdelaine" has been a loved ambassador for Canada to Scandinavia in the far east and in all languages. Even now this book continues its glorious mission to win friends for Canada as text book and as a very much read novel.

* * *

DR. LORNE PIERCE, Editor, Ryerson Press, Toronto.

If prestige means reputation in the popular sense, then Stephen Leacock in humor and Mazo de la Roche in fiction stand first because of their long and distinguished contribution to Canadian letters, each standing first, depending upon the kind of audience. If prestige means influence, perhaps the amazing output in economics of Harold Innis places him first in the field of scholarship for he has been one of the most provocative intelligences of our time in Canada.

For the one book which has enhanced Canada's prestige abroad and one without doubt great, I name "Christianity and Classical Culture" by Charles Norris Cochrane. This book has commanded the admiration of students of history and of culture throughout the world. The root meanings of our western culture are here explored and the clue given to the meaning of history itself for which we must find some adequate solution if we are as individuals and as nations to have any future at all.

* * *

S. MORGAN-POWELL, Literary Editor, Montreal Star.

I would say Stephen Leacock has brought more prestige to Canada, regarding the word prestige in its broadest meaning with his "Sunshine Sketches" in the field of humor; in fiction picturing Canadian life, Mazo de la Roche with her Jalna series. Both authors have a very large audience throughout the English speaking world; both have stimulated to a very great extent interest in Canada from outside. There is no contemporary name to rank with theirs. In the scientific field "The Principles and Practice of Medicine" by Dr. Osler will compare with the greatest anywhere and in poetry I would place Bliss Carman and Ned Pratt far ahead of any other twentieth century Canadian poets because they breathe the true Canadian spirit in their song.

* * *

ROBERT R. ROBINSON, Editor, BOOKS in Review (Maclean-Hunter), Toronto.

I should say that Hugh MacLennan's writing has earned Canada greater prestige than that of any other writer of this century. He scores on two essential points: (1) Mr. MacLennan's work has the universal quality of genuine art and can stand on its merits as literature in any international company; and (2) his locales, characters and situations are authentically Canadian, but his work does not depend upon any superimposed "Made in Canada" trademark for its sales appeal.

Incidentally, MacLennan's last novel, "The Precipice," earned higher critical acclaim in the U. S. than here in Canada. His talent has outgrown the obsolete parochial limits still the pride of some too-Canadian reviewers.

* * *

LISTER SINCLAIR, Radio Writer, Author of "We All Hate Toronto."

"Sunshine Sketches of a Little Town" by Stephen Leacock is my choice. Even if many of our authors were widely known outside Canada (and very few are) Stephen Leacock would still be a credit to any country. And "Sunshine Sketches" is a credit to Leacock, not only for its comedy though it is certainly very funny, but for its kindliness. "Sunshine Sketches" has given the world the flavor of a Canadian small town and besides showing its humor has also gently but firmly demonstrated beyond a shadow of doubt how much affection and devotion a man can feel for the generous qualities of Canadian life and how Canada is a country that a man can be proud to love. If this does not bring us prestige then nothing will.

* * *

VICTOR SOUCISSE, Public Relations Consultant, Montreal.

On the basis of the widest readership outside of Canada since the beginning of the century, the books of Andre Siegfried published in both French and English and sold in England, France and America have done most to make Canada better known and understood. Ross Munro's "Gauntlet to Overlord" should have been the source of the greatest prestige to Canada, but its circulation outside of our country was not what it should have been. Canadian propaganda machinery has been asleep in the field of fiction. "Bonheur D'Occasion" by Gabrielle Roy brought prestige to the realm of Canadian writing.

* * *

H. L. STRAIGHT, Publisher The Edmonton Bulletin.

The late Stephen Leacock, that wise old satirist, should win hands down in any selection to determine what author did most in the past half century to further Canadian prestige.

Although born in England, Leacock came to Canada sufficiently early to become steeped in Canadiana, which he so brilliantly reveals in his many and famous satirical sketches. Widely read, too, are his books on history, economics and political science.

Stephen Butler Leacock endeared himself not only to his fellow Canadians through his rich, native humor, but to the whole of the English-speaking world.

It was once so aptly said of Leacock:

"Without exaggeration he might be called the most popular humorist in America since Mark Twain."

* * *

JEAN SWANSON, Book Editor, Star-Phoenix, Saskatoon.

Statistics and librarians who have traveled, prove that Mazo de'la Roche is the best known Canadian author in the world and that Canada is a familiar name to thousands only because they have read about the Whiteoaks, a broadway play starring Ethel Barrymore. National radio dramatization of the Jalna saga, seals the verdict for the present at least that Mazo de la Roche has brought most prestige to Canada since 1900 because she has put what might otherwise appear to be an unlettered country on the world's library shelves. In this opinion I bow to facts. Time, I think, will change the name . . . and it might be Stephen Leacock.

* * *

FRANK UPJOHN, Chairman Book Publishers' Branch, Toronto Board of Trade.

Mazo de la Roche, the most famous living Canadian author is one of the few really successful women novelists whose name and fame are abroad in all lands. She has written 21 books in the past 26 years as well as plays, short stories and poetry. Her works have been translated into at least 12 languages. Her play "Whiteoaks" ran 800 performances in London and was a smash hit in New York with Ethel Barrymore. She arrived as an important figure in the English speaking world with the winning of the Atlantic Monthly $10,000 prize in 1927, for Jalna, a book which later became a movie. Her success is due to her honesty in looking clearly and unswervingly at life and using her uncanny knowledge of people to make her characters live.

* * *

EDWARD WEEKS, Editor, Atlantic Monthly, Boston, U. S. A.

I believe emphatically that Mazo de la Roche in her 11 novels about the Whiteoaks of Jalna has brought more literary prestige to Canada than any other writer. Her achievement makes me think of Trollope and Galsworthy. As her editor, I am too close to her work to attempt a comparison in quality but I do know that neither of them ever created more living people.

In the United States where her books have been sold more than a million and a half copies, readers feel personally responsible for each member of the Whiteoaks family. In Europe where her novels have been translated into fifteen languages Jalna invites the imagination.

As a wonderful Canadian sanctuary for those whose homes were destroyed in the war I have seen some of the hundreds of letters from readers overseas and they touched the heart.

These Are Named For Their Books

Here are the Canadian authors mentioned in replies to The Financial Post's question this week:

Stephen Leacock, Mazo de la Roche, Louis Hemon, Ross Munro, John McRea, Gilbert Parker, Ralph Connor, Robert Service, Bliss Carman, Ned Pratt, L. M. Montgomery, Andre Siegfried, Richard A. Wilson, Grace Campbell, Hugh MacLennan, Dr. William Osler, Harold Innis, Sir Charles Roberts, Frederick Phillip Groves, Mackenzie King, Bruce Hutchison, Gabrielle Roy, John B. Robbins and Charles Norris Cochrane.

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ARTICLES THIS ISSUE

Principles of Office Efficiency • To Incorporate or Not To Incorporate • A Revolution in Conventional Bookkeeping • The Source and Application of Funds Statement • Payroll Procedures •

— AND —

THE TAX REVIEW

Inventory Valuation • Deductions and Depreciation
Recent Cases and Regulations

MARCH Issue

$5.00 a year — $5.00 a year

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BROWN CO. net profit of $1,091,710 for the year ended Nov. 30, 1949 was down 72.3% from the previous year's $3,936,278. Decrease in sales from $48,070,000 to $43,263,495 resulted from lower prices, mainly in the pulp and paper divisions, and fall in demand for some grades of pulp and paper.

The paper towel division showed a small increase in volume in spite of lower prices. The Bermico Division (conduit and sewer pipe) also showed a small gain. Due to reduced demand, the mills at Berlin were shut down for varying periods during the summer, some for as much as five weeks. Operating costs increased.

To June 11, earnings of $1,095,000 were reported but the mid-year slump and other factors reduced these earnings materially. In the fall, improved demand and operating economies improved the situation and President L. F. Whittemore stated that indications are that the increased rate of earnings will continue well into 1950.

During the year funded debt was reduced by $1,473,000. Capital expenditures were $1,192,077 in U. S. In Canada $1,569,208 was spent, main job being completion of the bleachery at La Tuque which produced the grade of pulp for which demand was strongest.

CONS. INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
	$	$
Net sales	43,263,495	48,070,000
Net earnings*	3,081,855	7,074,570
Less: Gen. bd. int.	641,220	641,220
Other int.	166,289	197,072
Reduct. invent. val.	546,199	......
Inc. tax res.	636,437	2,300,000
Net profit & surp.	1,091,710	3,936,278
Less: Pref. divds.	864,906	......
Surplus for year	226,804	3,936,278
*After depr. of	2,187,424	1,813,816
*After depl. of	103,204	97,236
Times General Bond Interest Earned:		
Earned†	2.74	6.11

†Based on earnings available for gen. bond interest (computed in accordance with the trust deed) amounting to $1,755,145 in 1949, $3,917,315 in 1948.

Earnings per Share:		
Preferred	$7.57	$27.31
Paid	6.00	....
Common	0.11	1.54
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1949	1948
Cash	$4,189,620	$1,718,495
Accts. rec.	3,779,486	4,478,374
Inventories	11,565,001	17,161,148
Total curr. assets	19,534,107	23,358,017
Prep. tax & ins.	693,871	578,972
Misc. assets▲	‡3,055,004	‡3,316,827
Fixed assets*	29,020,045	28,594,056
Total assets	52,303,027	55,847,872
Accts., etc., pay.	2,933,432	4,138,121
Bonds & notes due	524,000	1,474,000
Total curr. liab.	3,457,432	5,612,121
Funded debt	16,777,400	17,300,400
Invent. & cont. res.	2,000,000	4,575,000
Capital stock	16,407,917	16,407,917
Capital surplus	2,577,016	2,577,016
Earned surplus	†11,083,262	9,375,418
*After depr. of	33,925,800	32,574,013
*After depl. of	6,920,587	6,818,450
▲Incl. ref. EPT	unstated	210,000

‡Includes $2,585,463 in 1949, $2,538,486 in 1948, special deposits reserved for plant improvement program.

†Includes $2,575,000 trans. from inventory and conting. reserve; after deducting $889,384 subsid. exchange loss re devaluation.

Working capital	16,076,675	17,745,896

CONSOLIDATED LITHOGRAPH MANUFACTURING CO. LTD. reports net profit of $162,778 for 1949, off 5.1% from the 1948 figure of $171,582. President Lt.-Col. C. W. MacLean states that sales were maintained at a high level.

Capital expenditures, largely on machinery, were $141,812. More improvements are already on order or contemplated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$337,143	$317,917
Less: Deprec.	67,547	44,857
Taxes	106,818	101,478
Net profit	162,778	171,582
Less: Com. divds.	120,000	120,000
Surplus for year	42,778	51,582
Earnings per Share and Dividend Record:		
Common: Earned	$2.71	$2.86
Paid	2.00	1.80 + 0.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$121,061	$5,446
Accts., etc., rec.	103,096	122,019
Mkt. invests.†	201,125	261,428
Inventories	263,439	308,096
Total curr. assets	688,721	696,980
Misc. assets▲	45,880	53,206
Fixed assets*	488,971	414,706
Total assets	1,223,572	1,164,901
Total curr. liabs.	155,570	139,677
Capital stock	100,000	100,000
Earned surplus	968,002	925,224
†Market value	200,000	260,000
*After depr. of	526,900	488,900
▲Incl. ref. EPT	18,292	26,286
Working capital	533,151	557,312

STANDARD PAVING & MATERIAL has advised that 60 shares of preferred stock were surrendered during February for conversion into 120 shares of common stock. There are 47,692 preferred and 189,968 common shares now outstanding.

Power Production Jumps 35% in Feb.

A new 12,000 volt Hydro transmission line was completed between Moosehorn and Gypsumville, Man., during February, bringing electric power for the first time to Steep Rock, Hilbre, Faulkner, Fairford, St. Martins, Grahamdale and Gypsumville. Due to rocky terrain, the 54 miles of new line were constructed under the most difficult conditions yet encountered in The Manitoba Power Commission's rural electrification program, General Manager of Commission, W. D. Fallis states.

Power purchased and generated during the month of February totaled 19,315,700 kw. hrs., as compared with 14,208,610 kw. hrs., during same month last year—an increase of 35.94% in consumption. The Commission continued its canvass of farmers scheduled to receive electric service in 1951, with contracts being accepted from areas in rural municipalities of Grandview, Ochre River, Dauphin, Gilbert Plains, McCreary, Ste. Rose, Rosedale, Shellmouth, Wallace, Morton, Westbourne and Harrison.

BRITISH COLUMBIA POWER CORPORATION
LIMITED
and subsidiary Companies

CONSOLIDATED STATEMENT OF INCOME AND EARNED SURPLUS
for the Year Ended December 31, 1949

Gross revenue from operations			$39,632,303
Deduct—			
Expenses:			
Operation and maintenance, including property taxes		$24,995,176	
Legal fees and executive remuneration		176,978	
Directors' fees		22,150	
Provision for accidents		447,090	
Employees' pensions:			
Payments under contributory pension plan:			
In respect of past years' services	$340,000		
In respect of current services	363,000		
	$703,000		
Payments to pensioners from general funds	241,868	944,868	
Provision for depreciation		4,724,453	
Provision for taxes on income		2,248,980	33,559,695
Operating Income			$ 6,072,608
Add—			
Income from investments		$ 88,420	
Profit on disposal of trucking operation, temporary investments, etc. (net)		22,823	
Profit on bonds redeemed at less than principal amount		33,785	145,028
			$ 6,217,636
Deduct—			
Interest on bond debt	$2,945,175		
Less—			
Interest charged to construction	343,573	$ 2,601,602	
Bond discount and refunding and issue expenses written off:			
Applicable to refunded issues	80,210		
Applicable to outstanding issues	[illegible]476	212,686	2,814,288
Net income for the year			$ 3,403,348
Deduct—			
Dividends on preference shares and stock of subsidiaries:			
British Columbia Electric Company Limited—			
4% Cumulative preferred shares	$480,000		
4¾% Cumulative preferred shares	363,500	$843,500	
British Columbia Electric Railway Company Limited—			
5% Cumulative perpetual preference stock		256,590	1,100,090
Balance of income			$ 2,303,258
Add—			
Earned surplus at at beginning of year		$2,418,331	
Portion of reserve for taxes on income deemed to be in excess of estimated requirements		600,000	
Estimated recoverable portion of excess profits tax transferred from deferred surplus ($1,264,500), less adjustment (estimated at $114,500) consequent upon revision of taxes on income of prior years		1,150,000	4,168,331
			$ 6,471,589
Deduct—			
Commission and expenses on issue of 4¾% Cumulative preferred shares of British Columbia Electric Company Limited		$131,504	
Expenses of issue of Class "A" shares of parent company and related financing expenses of British Columbia Electric Company Limited		38,576	
Loss on sale, by subsidiaries, of Class "A" and Class "B" shares of parent company		201,129	371,209
			$ 6,100,380
Deduct—			
Dividends on Class "A" shares of parent company			1,696,000
Earned surplus as at end of year			$ 4,404,380

Copies of the complete Annual Report may be obtained by writing B.C. Power Corporation, Limited, 425 Carrall Street, Vancouver, B.C.

CANADIAN GOVERNMENT, MUNICIPAL AND CORPORATION SECURITIES

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AD. 5733

YOUR INCOME TAX
and the 10% Tax Credit

Certain important amendments to the Income Tax Act which became law in December, 1949, and effective for the taxation year 1949, will make a substantial difference in the amount of tax payable by certain groups of taxpayers, particularly individual Canadian investors.

This subject is discussed in our March booklet *Investments* which contains, in addition, a representative list of offerings of Government and Corporation securities at prices to yield from 2½% to 6%.

Copies available on request
Telephone WA. 3681, or write —

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Underwriters and Distributors of Investment Securities since 1901

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CALGARY LONDON KITCHENER HAMILTON OTTAWA QUEBEC HALIFAX SAINT JOHN

50 King Street West, Toronto, Canada

NEW ISSUE

$1,450,000.

COMPAGNIE FRANCE FILM
(Incorporated under the laws of the Province of Quebec)

FIRST MORTGAGE SERIAL BONDS, SERIES "A"

$ 225,000. 4% bonds maturing from October 1st 1950 to April 1st 1953.
1,225,000. 4½% bonds maturing from October 1st 1953 to April 1st 1965.

To Be Dated: April 1st 1950

TRUSTEE: GENERAL TRUST OF CANADA

In the opinion of Counsel, these bonds will be a legal investment for Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932, as amended.

We offer these bonds, if, as and when issued and accepted by us and subject to the approval of all legal matters by our Counsel: Messrs. Bouffard, LaRochelle & Duchesne.

PRICE : 100. and accrued interest.

It is expected that definitive bonds will be ready for delivery on or about April 3rd 1950.

A descriptive circular of this issue is available upon request.

CLÉMENT, GUIMONT INC.
56 St. Peter Street,
Quebec.

These debentures and shares having been sold as a speculation, this advertisement appears as a matter of record only

New Issue

SELBURN OIL COMPANY LIMITED
(Incorporated under the Laws of the Dominion of Canada)

$675,000
5% Ten Year Debentures

337,500
Common Shares Without Nominal or Par Value

The Company was incorporated to provide a means for the participation of capital in the purchase and development of leases and other interests in lands believed to have a prospect of producing oil and/or gas in commercial quantities.

Debentures will be convertible up to the close of business on June 30th, 1950, into shares of the Company as now constituted on the basis of 800 such shares for each $1,000.00 principal amount of debentures and convertible thereafter up to the close of business on June 30th, 1951, into shares of the Company as now constituted on the basis of 500 such shares for each $1,000.00 principal amount of debentures; and thereafter not convertible.

We offer, as principals, the said 5% Ten Year Debentures and the said 337,500 Common Shares, all subject to prior sale and change in price and to the approval of all legal details by Messrs. Aikins, MacAulay, Thompson, Tritschler & Hinch, on behalf of the Company and ourselves. The right is reserved to reject any application or allot a smaller number of the said 5% Ten Year Debentures or Common Shares than applied for.

PRICES

5% Ten Year Debentures — 100.00 and accrued interest
Common Shares — 10 cents per share

(Offered as a unit, namely, 500 Common Shares with each $1,000.00 principal amount of Debentures)

A prospectus containing details of this issue is available on request.

Melady, Sellers & Co. Ltd.

Burns Bros. & Denton Limited — Midland Securities Limited

March 14, 1950

Their Cork-Tips make smoking Cleaner

For me, it's Craven 'A' always—with their superfine quality—with the clean convenience of their cork tips—and all their superb flavour, so smooth, fresh and enjoyable all the time. No wonder they're world famous!

Craven 'A' will not affect the throat

The largest-selling Cork Tipped cigarette in the world!

CRAVEN PLAIN — WITHOUT CORK TIPS — SAME FINE QUALITY AS CRAVEN 'A'

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TYPICAL SAVINGS ON ROUND TRIP FARES FROM MONTREAL

	60-day Excursion Fare (Effective until April 30)	Regular Return Fare
LONDON	$492.80	$666.00
GLASGOW	460.60	622.80
PARIS*	522.20	705.60
GENEVA*	561.00	732.60
ROME	636.80	795.60

Similar reductions to many other destinations.
*BEA from London.

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LABOR ROUNDUP By RONALD WILLIAMS

Communist Machine Breaking Down; Big Massey-Harris Local Cuts Red Noose

Already derailed on the policy-making level in all major labor bodies, the Communist union machine is now going off the track on some of its key spur lines in individual locals. Some of the more important of these are in the big CIO Auto Workers' Union.

For four years, the Auto Workers' local in the Toronto plant of Massey-Harris, the biggest in the M-H chain, has been under the thumb of the Communists. Last week the Red thumb was democratically brushed aside: Communist President Steve Anco and his Red-endorsed slate, were defeated in their bid for another term in office. It was a major setback for the Communist union machine.

Anco, a party member from away back, was defeated by his bitterest foe, CCFer Moses MacKay, formerly financial secretary. What made Anco's defeat more galling for the Communists, was the fact that they had been gunning for MacKay ever since the Toronto civic elections when MacKay ran for alderman in the same ward as Charles Sims, one of the party's national leaders. MacKay didn't win but he took enough votes away from Sims to cost him the seat he had held on Toronto City Council since 1944. (In 1945, he was re-elected by acclamation along with two other Communists). Immediately McKay became a chief target of Communist character assassination. His victory over Anco is clear evidence, they didn't hit him. In fact, due to the growing awareness and alertness among rank and file trade unionists in spotting Communist power plays, a concerted Red attack on an individual unionist only serves to rally rightwingers into a determined united front. The Reds still show no signs of having learned this important lesson.

On top of this, the Communists had to answer for an abortive three-day strike last summer at the Toronto plant. The walkout was engineered to protest the dismissal of Anco who had been fired for interfering in management business. An arbitrator upheld the dismissal. This, with the subsequent attack on MacKay was more than enough to get the anti-Communist steamroller under way.

Elsewhere in UAW territory, similar left-right election clashes were making union news:

In Windsor, Roy England was re-elected by acclamation as president of the big 11,000-member Ford local. At one time England was a devout party-liner. He is supposed to have recanted last year and this year he was not opposed by rightwingers. However, left and rightwing slates will battle it out for the other executve positions.

Also at Windsor, Local 195 which takes in the Chrysler plant and a number of other firms, started to vote Monday. Balloting is scheduled to end Thursday. Here, the right wing has been in control since 1945. A slate of so-called "progressive," endorsed by the Communists, is contesting each office.

At Oshawa, pro-Red Bill Rutherford, a perennial candidate for the presidency of the General Motor's local, lost again. As far as the UAW is concerned, the Communsts were calling the wrong shot. Long ago they lost control of the bg union on the policy-making level. Now they have just about lost any control they ever had on the local level.

* * *

Another Red Bites The Dust?

In Montreal the Reds were in another mess of trouble: the Communist-run AFL Textile Union, thoroughly discredited because of some of the most useless and violent strikes (Valleyfield, Lachute and Paris, Ont.), this week faced a full-scale revolt.

Chief rebel was Azellus Beaucage, formerly one of the staunchest party-lining organizers on the staff. Came the awakening and Beaucage started bucking Boss Kent Rowley and his feminine lieutenant, Madeleine Parent, both known Communists. He charged Rowley with "Communist dictatorship." Rowley retaliated by expelling Beaucage.

Beaucage, who was business agent of the local in the big Dominion Textile plant in Montreal, came back by taking the local out of the AFL into Sam Barons' violently anti-Communist CIO Textile group.

This week Rowley countered by preparing to take court action against Beaucage because he failed to turn over union funds and records when fired. Rowley claimed he had International authority to take over as "trustee and administrator" of Local 102. By the time the smoke clears, most observers expect to see another Communist union on the rocks.

* * *

Kodak Wage Dividends

Canadian Kodak employees got their annual windfall last week. Under the wage dividend scheme started by George Eastman in 1912, 1,225 Kodak employees divided around $320,000 between them. It was the biggest slice of profit-cake in the 38-year history of the plan, and brought dividends distributed in Canada to $3.3 millions, throughout the world: $118.5 millions.

* * *

No Lobby, Says Ford

A spokesman for Ford of Canada has denied there was any suggestion of a pension "lobby" on the government in its recent visit to Ottawa with the CIO Auto Workers' union.

The visit was the company's idea, the spokesman stated. It was thought, in view of the current dispute over pensions, that it might help matters to ascertain government thinking on the whole pension problem.

"But," he declared, "we did not join with the union in any 'lobby' to get the means test abolished. It was merely a fact-finding mission."

Meanwhile Ford and the union marked time on the dispute over $100 a month retirement pensions. The Ottawa trip had only made one thing clear: it would be some time before the government would know where or how it was going. Whether this put the Ford dispute back exactly where it was before remains to be seen: company offering $55 a month; the union holding out strongly for $100.

* * *

No Raises For Two Years

Another major industry is talking in terms of a two-year union contract. On April 4, 10,000 Nova Scotia coal miners employed by Dominion Steel & Coal Corp. will vote on a union executive recommendation that they accept a two-year agreement—with no increase in pay.

Originally, the union asked for 26c an hour more. The about-face is believed to be due to realization that under existing conditions the N. S. coal industry can't stand higher wage costs. In fact, in Pictou County, operators had proposed a pay cut. If the two-year contract is accepted, this will be forgotten and all basic rates will remain at $8.14 a day. (John L. Lewis recently got his soft coal miners' pay boosted to $14.75 a day.)

* * *

Labor Briefs

CIO Textile Workers and Toronto Carpet and Barrymore Cloth Co. renewed contract giving 700 employees 2c hourly raise and incorporating 17c cost-of-living bonus into the basic wage rate. Employees' share of group insurance, sick benefit, etc., reduced $1 a month.

* * *

Company-financed health, life insurance and hospitalization plan takes place of joint employee-employer scheme at American Can, Vancouver, says CIO Steelworkers' Union. Settlement is a supplement to basic contract signed last fall.

* * *

Increases of 10c-15c an hour claimed by CIO Steelworkers in new contract with Stanley Works of Canada, Hamilton. Piece rates upped 7½%, day rates, 12½%. New clause provides for preferential hiring with the union getting first chance to send men over to fill vacancies.

* * *

Last-minute settlement giving 16c across-the-board raise averted strike at Morrison Brass, Toronto, by CIO Steelworkers. Base rate now 90c an hour.

Rockefeller Group To Make Economic Survey of Nfld.

From Our Own Correspondent

ST. JOHN'S—International Basic Economy Corp., a Rockefeller interest, has signed an agreement with the Newfoundland Government to undertake a survey of the province's economic potentialities.

The survey will take about a year. The corporation has undertaken to interest American capital in enterprises that might be recommended as a result of the survey, says IBEC representative M. J. Madigan.

IBEC is the organization Premier Smallwood referred to in January when he said that he had interested an American concern with "millions of capital" in Newfoundland.

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RODNEY HULL
Toronto

ROSS FLETCHER
Calgary

A. S. THORFINNSON, C.L.U.
Wynyard, Sask.

It has been announced that four members of the field force of The Mutual Life Assurance Company of Canada have the distinction of being admitted into membership in the Million Dollar Round Table, an organization composed of leading life underwriters in Canada and the United States whose insurance sales in the calendar year total at least one million dollars.

They are: Messrs. L. P. Pelletier, Quebec, P.Q., the Company's leading personal producer in 1949, Rodney Hull, Toronto, qualifying for the second time, Ross Fletcher, Calgary and A. S. Thorfinnson, C.L.U., Wynyard, Sask. Each man earned membership for his work in 1949.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

RUSSELL INDUSTRIES LTD. reports consolidated net profit of $1,390,368 for 1948, down 2.8% from the 1948 figure of $1,430,048. Some new products were introduced during the year and it is anticipated that additional lines will be introduced in 1950. President H. R. Tudhope states production of the operating subsidiaries closely paralleled 1948 and demand continues on a satisfactory basis.

A substantial portion of total capital expenditures of $821,383 was for an extension to the plant of Canada Cycle & Motor Co.

A quarterly dividend of 25c a share has been declared payable March 31, 1950, increasing the current common dividend rate to $1 per share per annum.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,970,495	$2,953,832
Less: Deprec.	638,334	510,301
Income tax	941,793	913,483
Invent. res.	......	100,000
Net profit	1,390,368	1,430,048
Less: Pref. divds.	2,690	4,403
Com. divds.	531,704	458,392
Surplus for year	855,974	967,253
Earnings per Share and Dividend Record:		
Preferred	$10,075.13	$2,379.45
Paid	7.00	7.00
Common	2.06	2.17
Paid	0.80	0.70

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,048,191	$348,813
Accts. rec.	2,056,770	2,304,243
Investments*	1,666,778	1,225,072
Inventories	4,366,201	4,830,147
Total curr. assets	9,137,940	8,708,275
Miscel. assets▲	167,287	304,160
In. in part-owned sub.	324,914	318,654
Fixed assets†	2,818,177	2,631,917
Total assets	12,448,318	11,963,006
Accts. pay	1,326,303	1,475,486
Taxes reserve	404,188	568,703
Total curr. liab.	1,730,491	2,044,189
Pension res.	278,431	304,836
Conting. res.	1,079,689	1,079,689
Capital stock	1,700,000	1,700,000
Surplus	7,659,707	6,834,292
*Market value	unstated	1,251,000
▲Incl. ref. EPT	20,507	154,375
†After depr. of	5,536,145	5,032,449
Working capital	7,407,449	6,664,086

CANADIAN CELANESE LTD. record net profit of $6,178,343 for 1949 is 16.9% higher than the 1948 figure of $5,283,810. Net operating income increased $2,859,163 to $12,601,925 and investment income was up from $216,047 to $237,869.

President Camille Dreyfus stated that total expenditures for plant and equipment were $4,029,162, as against $3,205,230 in 1948. Expansion and improvement of facilities at Drummondville and Sorel plants continued.

INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Net earnings	12,652,716	9,798,265
Less: Deprec.	1,738,395	1,040,642
Deb. int.	269,231	278,231
Inc. tax	4,175,000	3,150,000
Amort., pat., etc.	45,016	45,582
Past serv. pens.	246,731	......
Net profit	6,178,343	5,283,810
Less: $1.75 pref. div.	700,000	700,000
$1 pref. div.	100,000	100,000
Com. divds.	1,924,536	1,241,636
Surplus for year	3,453,807	3,242,174
Times Deb. Int. Earned:		
Before depr.	47.00	35.22
After depr.	40.54	31.48
Earnings per Share and Dividend Record:		
Pref. ($1.75 & $1 Series):		
Earned	$12.36	$10.57
Paid: $1.75 pref.	1.75	1.75
$1 pref.	1.00	1.00
Common	4.33	3.61
Paid	1.55	■4.00

■Before 4-for-1 split in Dec., 1948.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,044,499	$3,943,397
Investments‡	8,359,100	5,393,600
Accts. rec.	2,952,287	2,478,149
Inventories	5,059,361	4,385,387
Total curr. assets	18,415,247	16,200,533
Def. & pref. chgs.	690,947	684,306
Invest., etc.▲	476,481	843,845
Fixed assets	29,334,658	25,330,423
Patents, etc.	1,064,258	1,059,810
Total assets	49,981,591	44,118,917
Accts., etc., pay.	1,575,391	819,149
Tax pay	2,093,699	1,764,209
Deb. instalment	400,000	400,000
Total curr. liab.	4,069,090	2,983,358
Depr. & amort. res.	10,926,736	9,153,601
Invent. & spec. res.	250,000	300,000
Debentures	8,800,000	9,200,000
Capital stock	13,719,045	13,719,045
Distrib. surplus	62,500	62,500
Surplus	12,154,220	8,700,413
▲Incl. ref. EPT	368,296	735,660
‡Mkt. val., approx.	9,597,000	6,417,000
Working capital	14,346,157	13,217,175

CONSULTANT & BUSINESS REPRESENTATIVE all DOMINION GOVERNMENT departments
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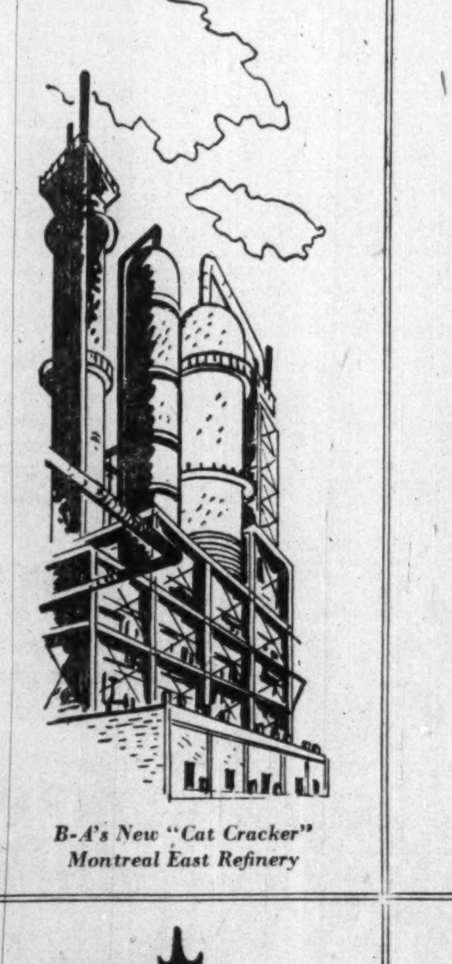

B-A's New "Cat Cracker" Montreal East Refinery

In few industries is there a more pressing trend of increasing demand than in the refining and distribution of petroleum products. To match that trend the company behind the familiar B-A service stations has expanded its gallonage sales to more than two and a half times the pre-war total. That means a huge increase in capital investment . . . for developing more crude oil reserves, building new refineries and adding to facilities in every phase of the business.

During this period, when all the resources of the company are channeled into necessary expansion, the shareholders are not unmindful of the increase which is taking place in the equity value of their shares. During the past ten years earnings totalling more than $25,000,000 have been reinvested in the company. The fully consolidated balance sheet published recently, which includes the assets of the highly successful crude oil producing subsidiary, shows an equity value applicable to the common shares of $58,100,000.

The confidence which the investing public holds in the growth and earning power of The British American Oil Company was demonstrated again this week when an additional offering of its common shares was heavily oversubscribed.

Information about the common shares will be forwarded to investors on request. Telephone or write our Head Office or Branches.

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Should We Trade With the Czechs?

Here's Refugee's View on Dealings Behind Iron Curtain

Should we trade with the Czechs? How are the dollars they earn in North America being used for Iron Curtain designs on the West? Here's what a former member of the Czech State Planning Board has to say about the Cominform plan for Czechoslovakia in its relations with the West. The writer—who uses a pseudonym for the protection of his family still behind the Iron Curtain—fled to England last May and has recently arrived in Canada.

By DR. A. K. ALEXANDAR

Every time a Canadian engages in trade with Czechoslovakia he strikes a blow for Stalin; in short, he's helping—in however small a way—to dig his own business grave.

Does that sound like a wild exaggeration? Probably, because in most Canadian minds, the Czechs, despite their government, despite their close association in the Russian orbit, are still remembered for what they were before the war: the most dynamic industrial and trading nation in central Europe.

But today they form a most powerful front for Stalin; all their trading, the course of their entire economy is dictated by their Cominform masters. And the real role assigned to them in the Iron Curtain setup—to be the spearhead in the Cominform campaign to do maximum damage to the Western economy and to be a powerful force in building up Communist war potential — is cleverly concealed in a number of ways.

Alone among the Iron Curtain countries they pay heavy lip service to the Geneva trade agreements, (but in reality consistently break them); participate in a big way in the Canadian International Trade Fair, other Western trade fairs. Their renowned Prague international trade fair continues—to all intents and purposes as in prewar days. No other Cominform country has such close relations with North America.

Czech exhibits are admitted to the Canadian Trade Fair because they are members of the Geneva Agreement group and there is, say officials, no alternative but to accept them. (Editor's Note.)

What's Behind Moves?

But underneath it all, the Czech purpose remains the purpose of the entire Cominform; Czechoslovakia remains in the Geneva club, puts on great airs of business as usual in the same old market place because it's good business for the Cominform that it should be so—although I grant you that this deception does not sit easy with many highly-placed Czech officials. But they have to take it.

Czech trade with the West is a steal in more ways than one. It is official policy to undercut the market any time they feel they can get away with it and it will be mighty difficult to prove dumping.

To buy from North America to steal patents is also official policy.

They will—and do—buy those goods you've barred from shipment to the Iron Curtain countries through agency fronts established in Switzerland and other "free European" countries and even right here in Canada and in Britain.

To understand better how all this can happen it's necessary to give an outline of principles of the Communist State-planned economy.

Under this setup all foreign trade becomes an instrument of foreign policy. All exports and imports are handled through a state planning office. Money has no meaning as a measure of value. All industry is nationalized. Foreign trade policies become channels for the conduct of ideological warfare. The value of a foreign market is not viewed through the trader's eyes — the question of whether a profit can be made sufficient to make the operation worthwhile becomes immaterial—but through the relative importance attached by the Cominform to that market as a sphere of political operations.

Taxes Pay Difference

If it's felt necessary to undercut the home producer, the Central Planning Authority will go ahead and do so and if the article is then to be sold at a loss the home consumer pays the difference in raised consumer taxes on that article.

This has been the case since Jan. 1, 1949. Since that date the manufacturer — which is the State, of course—has paid no taxes. They have all been included in the final price to the consumer.

Thus, Czech shoes about which Canadian manufacturers recently raised heavy "dumping" protests and which sold in Canada for $2-$2.50 cost the Czechoslovak consumer in the region of $90 to $100. He pays a 2,000% tax on the producer's price.

This policy is not original; it's a faithful copy of that pursued by Lenin in the early twenties when Russia flooded world markets with cheap grain while starving the people at home.

The Russian aim then—as now—was to create the climate for world revolution by disrupting economies wherever they could, creating mass unemployment and all that goes with it.

It's a policy that can easily be pursued by any police state; domestic discontent—as in Czechoslovakia today — arising from continuing shortages of goods for the domestic consumer mean nothing to Communist police state rulers whose hold on the people ensures subservience so long as they have the police to quell discontent.

The Five-Year Plans

Now let's take a look at the various Five-Year plans the Communist countries have worked out.

They're all heavily accented in favor of a vast expansion of heavy industry that bears no relation to domestic consumer needs or export potentialities.

The greatest importance is attached to development of iron, steel and capital equipment production; Czechoslovakia, Poland, Hungary, Romania, Bulgaria are all concentrating on increasing their steel production by 100% before 1953.

There are vast schemes to enlarge the output of electricity and strategic materials. In Czechoslovakia, one-third of the nation's total production has been set aside for the development of uranium mines and for Russian atom bomb development.

Take a look at prewar developments in the economy of central Europe. It will be remembered that in the thirties it was the heavy industries that suffered most in the world depression. Even with plants then existing output of steel and heavy industry generally far surpassed regional requirements. The question emerges now as to what purpose the present tremendous investment program will serve. The answer cannot be of small significance to the democratic world.

The Cominform is well aware that this program cannot be achieved without importing the required machinery from North America and Britain. To pay for these requirements goods must be pushed on to those markets at prices consumers will find attractive. Thus they are more often than not sold at a heavy loss. And any efforts made by the West to balk Iron Curtain armament aims must be circumvented.

Here's what happened — and still is happening — when U. S. (and later, Canada) slapped an embargo on shipments of strategic materials to the Iron Curtain countries.

Import-Export firms doing business direct with Czechs, of course, have to meet all government regulations as to what commodities may be traded between the two countries.

But the Czechs have other ways of getting special equipment they want—things the democracies don't want to sell them.

Entirely unaware of the final destination of what they are selling, some Canadian dealers have sold various kinds of very important machinery which has ended up in Czechoslovakia.

The Czechs have their buying fronts posing as many different kinds of businessmen and as many different nationalities.

It may seem that it's a British firm that is buying or a Swiss or a Dutch or a Belgian but at the end of a long devious chain of sales and transfers there is often a Czech servant of Moscow

On the other side we have seen textile goods made in Czechoslovakia sold through Switzerland to U. S. and Canadian customers.

Modernization of industrial methods is a big part of the Czech program, for during the last war management and research divisions by force of the Nazi occupation were kept ignorant of U. S. and British technical developments.

Soon after the war when Czechoslovakia was liberated and remained for a while free of the Russian yoke, research missions were sent to Britain and U. S. to negotiate patent agreements on a wide range of new machinery. But nothing came of these negotiations. As soon as the Communists became masters of the situation they broke up these missions.

The Cominform found an easier, less costly way. Czech purchasing agents abroad were ordered to buy up machinery which on arrival was studied, dismantled and skilfully copied for remanufacture without any regard to patents or manufacturing rights.

That is still going on. So is all I have described.

And unless North America does something about it, the present sporadic efforts at dumping will be stepped up. It's all in The Plan.

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

Cumulative Redeemable Preferred Shares

Notice to the holders of share warrants and to registered shareholders

NOTICE is hereby given that:—

1. A dividend (Number 12) of $1.00 per share in Canadian currency has been declared on the 4% Cumulative Redeemable Preferred Shares for the three months ending March 31st, 1950.

The said dividend will be payable on or after April 1st, 1950, in respect of the shares specified in any share warrant on presentation and delivery of dividend coupon No. 12 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on March 15th, 1950, by cheque which will be mailed on March 31st, 1950, from the office of the Montreal Trust Company, Vancouver, B.C.

2. A dividend (Number 6) of $1.19 per share in Canadian currency has been declared on the 4¾% Cumulative Redeemable Preferred Shares (other than those of the issue of February 1950) for the three months ending March 31st, 1950.

The said dividend will be payable on or after April 1st, 1950, in respect of the shares specified in any share warrant (other than those marked "Issue of February 1950") on presentation and delivery of dividend coupon No. 6 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on March 15th, 1950, by cheque which will be mailed on March 31st, 1950, from the office of the Montreal Trust Company, Vancouver, B.C.

3. A dividend of $0.65 per share in Canadian currency has been declared on the 4¾% Cumulative Redeemable Preferred Shares (Issue of February 1950) for the period from February 9th, 1950, to and including March 31st, 1950.

The said dividend will be payable on or after April 1st, 1950, in respect of the shares specified in any interim share warrant marked "Issue of February 1950" on presentation and delivery of dividend coupon No. 6 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares (Issue of February 1950) who are of record at the close of business on March 15th, 1950, by cheque which will be mailed on March 31st, 1950, from the office of the Montreal Trust Company, Vancouver, B.C.

4. The Income Tax Act of the Dominion of Canada provides that a tax of 15% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada. The tax will be deducted from all dividend cheques mailed to non-resident shareholders and The Royal Bank of Canada will deduct the tax when paying coupons to or for accounts of non-resident shareholders. Ownership Certificates (Form No. 600) must accompany all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the Canadian tax deducted at source is allowable against the tax shown on their United States Federal Income Tax return. In order to claim such credit the United States tax authorities require evidence of the deduction of said tax. For this purpose the Company's paying agents, Montreal Trust Company 466 Howe Street, Vancouver, B.C. will, at the year end, mail to registered shareholders a Certificate of Tax Deduction covering the aggregate tax deducted from dividends paid during the calendar year. Bearers of Share Warrants, on the other hand, must complete Ownership Certificates (Form No. 601) in duplicate and the Bank cashing the coupons will endorse both copies with a Certificate relative to the deduction and payment of the tax and return one Certificate to the Shareholder. If Forms No. 601 are not available at local United States banks, they can be secured from any office of The Royal Bank of Canada.

Subject to Canadian Regulations affecting enemy aliens, non-residents of Canada may convert this Canadian dollar dividend into United States currency or such other foreign currencies as are permitted by the general regulations of the Canadian Foreign Exchange Control Board at the official Canadian Foreign Exchange control rates prevailing on the date of presentation. Such conversion can be affected only through an Authorized Dealer, i.e., a Canadian Branch of any Canadian chartered bank. The Agency of The Royal Bank of Canada, 68 William Street, New York City, is prepared to accept dividend cheques or coupons for collection through an Authorized Dealer and conversion into any permitted foreign currency.

BY ORDER OF THE BOARD
J. A. BRICE
Secretary

425 Carrall Street,
Vancouver, B.C.
March 2, 1950.

SPECIAL NOTICE

Holders of Interim Share Certificates and Interim Bearer Share Warrants relating to the Company's 4¾% Cumulative Redeemable Preferred Shares (Issue of February 1950) are hereby notified that these may be exchanged for Certificates in Definitive form at offices of Montreal Trust Company on or about June 7th, 1950.

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New Issue

$1,200,000

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(Incorporated under the laws of Canada)

First Mortgage 4% Sinking Fund Bonds
Series "B"

To be dated March 15, 1950 — To be due May 1, 1963

In the opinion of Counsel, these Bonds will be investments in which The Canadian and British Insurance Companies Act, 1932, as amended, states that companies registered under it may invest their funds or any portion thereof.

Offering prospectus available on request

Price: 99 and accrued interest

We, as principals, offer these Bonds if, as and when issued by Burns & Co., Limited and accepted by us, subject to the approval of all legal matters on our behalf by Messrs. Lash & Lash, who will rely, as to matters of title to the specifically mortgaged premises, on the opinion of Counsel for the Company, Messrs. Nolan, Chambers, Might, Saucier & Peacock, who, in turn, will rely on the reports of solicitors in provinces other than Alberta as to matters of title to properties in such provinces.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that Interim Bonds, in bearer form only, later exchangeable for Definitive Bonds, will be available for delivery in Toronto and Montreal on or about March 28, 1950.

DOMINION SECURITIES CORPN. LIMITED
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March, 1950

New Issue

400,000 Shares

The British American Oil Company Limited
(Incorporated under the Laws of Canada)

Common Shares of No Par Value

TRANSFER AGENTS AND REGISTRARS:
Chartered Trust Company, Toronto and Montreal
National Trust Company, Limited, Winnipeg and Vancouver
Registrar and Transfer Company, New York

We, as principals, offer these Common Shares, subject to prior sale and change in price, if, as and when issued and accepted by us and subject to the approval of our Counsel, Messrs. McCarthy & McCarthy, Toronto and of the Company's Counsel, Messrs. J. S. D. Tory, K.C. and Associates, Toronto. The right is reserved to reject any application or to allot a smaller number of Shares than applied for.

Price: $26⅛ per Share

It is expected that Definitive Share Certificates will be available for delivery on or about March 30th, 1950.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be furnished promptly upon request.

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Cochran, Murray & Co. Limited — Midland Securities Limited — L. G. Beaubien & Co., Limited
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Key of New Tax Act Is Law —Not Discretionary Power

Deputy Minister of National Revenue Scully Makes Plea For Co-operation of Taxpayers—Welcomes Constructive Criticism of Tax Dept.

A plea to Canadian taxpayers to avoid any attempt to induce members of the income tax department to disregard their duty, by giving them gifts or favors, was made by V. W. T. Scully, Deputy Minister of National Revenue, Taxation Division, at the annual dinner of the Institute of Chartered Accountants of Ontario in Toronto. He also stated that the department welcomed constructive criticism. Accountants, he declared, have an important duty to perform to support the department's effort to prevent fraud. The fundamental difference between the old and the new act, he stated, was the disappearance of the minister's discretionary powers. Here is a digest of his address.

By V. W. T. SCULLY

The main body of the Taxation Division of the Department of National Revenue divides into two principal groups:

(a) The Tax Group—consisting of the Assessing, Succession Duty, Special Investigation and Legal Branches.

(b) The Administration Group.

The head office subdivisions, except for the legal branch, are roughly followed in the district offices.

The tax group is relatively small in numbers but contains a preponderance of highly qualified legal and accounting people.

At present, the department is carrying out a program of consolidating its assessing units in order that better service can be rendered to the public. An important result of this will be a more economical and efficient use of professionally trained men and women. To some extent, these are dispersed at present by a somewhat illogical division of work among what are widely known as the T. 1, T. 2 and Succession Duty branches.

Approximately two thirds of the whole staff are in the administration field. Here, there are three main subdivisions:

1. Inspection;
2. Personnel;
3. Administrative Services.

Inspection is the branch that is constantly examining into the activities of all units of the Division, probing and scrutinizing, not so much as internal auditors but as the eyes and ears of the Deputy Minister.

The personnel branch recruits, selects, promotes, demotes. In fact, this is the unit which keeps the Department alive.

The administrative services group is the Division's largest. Here are accounting, collections, statistics, forms, tax-roll, files, accommodation, and all the other multitudinous jobs that modern society seems to require of its servants.

To illustrate, take the tax-roll. Here is where the Division begins. The tax-roll is the list of all persons and corporations who are, might be, or should be taxpayers. It is compiled from information returns, directories and other sources. Recently, the tax-roll operation was combined with the filing. This combined unit is now known internally as Tax-Roll—Files. Substantial economy and greater efficiency have been effected by the consolidation. The Department has approximately 3,850,000 active files and approximately 4,725,000 names on the tax-roll. These operations, of course, are conducted in the District Offices.

Another most important job that falls to the administrative services group is the accounting-collection operation. Until quite recently, accounting, collections and cashiers were three separate units. They are now being combined into one. This again results in economy and efficiency. The Department has approximately 567,500 open accounts. The number varies during the fiscal year, rising steeply in the first six months when the new assessments are going out, and falling in the second half as the collection operation speeds up. Since the inception of Income Tax, some 33 years ago, accounts deemed to be uncollectible amount to some $6,944,710, less than .0543% of the total amount collected. A very considerable part of the cost of operating the Division is attributable to delinquent taxpayers who represent a small part of the total in numbers and in amounts of taxes. Since most of you are taxpayers, you should realize that you bear this cost.

Combines Branches

The Department is combining into one Branch all assessing activities. Two prime purposes lie behind this—

1. To achieve complete uniformity of practice;
2. To deploy trained people so that their skills can be applied to the best advantage of all concerned.

As many of you know, the Division fell far behind in its work during the war . . . . By the end of this month, assessments will have been completed for all years and all taxpayers to the end of 1948. Annually hereafter each year's work will be done each year. In fact, the Division has already processed many thousands of 1949 returns.

Disposal of Appeals

Inherent in this progress is the disposal of appeals. The creation of the Income Tax Appeal Board has greatly increased the number of appeals. Within the Department has been created an Appeal Section—wholly independent of the assessing branches—to handle appeals. Here too there was a very large backlog of work. Contrary, perhaps, to popular conception, the greatest care is exercised in disposing of appeals.

I should add here, I think, that the Department does not want to collect one cent of tax which is not properly exigible. But I should also mention that it is no longer possible for a taxpayer to defer payment of a tax liability by entering an appeal.

From the administrative standpoint, the fundamental difference between The Income Tax Act and the Income War Tax Act is the disappearance of substantially all the discretionary powers of the Minister. Under The Income Tax Act, the law governs. Whatever one may feel as to the equities, there can be no deals and no privileges.

Perhaps the best illustration of what I mean can be found in the Capital Cost Allowances. There has been criticism of the new sections and of the regulations. That is as it should be; but bear in mind that the apparent complexities of what is now the law arise not so much from the changes of methods as from the fact that what was heretofore an informal arrangement between the taxpayer and the Department now must be spelled out in black and white for all taxpayers.

Undistributed Income

There has been some highly speculative comment regarding the application of Section 9(6) (re undistributed income). As you know, this section has existed in one form or another for many years, but has not been invoked until recently.

The improvement of administration is always under active consideration especially in the realm of tax avoidance. Section 9(6) and other little-used provisions of the law were enacted to be applied. Future policy in that regard is now being developed.

It has been stated that the businessman knows best what funds he should retain in his business. With that view the Department has no serious difference of opinion. Action under Section 9(6) has been taken only in those cases where the Department had definite knowledge that an arrangement was in the making which would remove substantial surpluses from the business and, at the same time, from the reach of taxation.

There are in general two types of tax evasion—

1. Deliberate fraud;
2. What our lawyer friends would call the exercise of a taxpayer's legal right to pay as little as he can arrange to pay—within the law.

In addition to examination by the assessors, the Department is able to apply the Special Investigation or Intelligence Unit to uncovering these cases. There has been a fair amount of success but this will be much better now that investigators of experience and ability have been trained to uncover the tax-dodgers. That these dodgers will be caught is practically inevitable. Most of them would be well advised to make their peace with the Department while there is still a chance to avoid the full consequences of criminal prosecution.

—Photo by Blank & Stoller

STEWART HUNTER

has been elected a director and appointed general manager, Montreal Shoe Stores Ltd., a subsidiary of Mailman Corp.

The Department receives, studies and co-ordinates quantities of information from many sources. It is considered of first importance to sift all data that might uncover fraud. In one important case, the disclosure came from an examination of export forms B. 13. Uncertified financial statements always attract special attention and, of course, the Department examines with the greatest care returns supported by financial statements prepared by accountants whose clients have already come under suspicion.

Few cases of deliberate fraud can be carried out effectively without at least the tacit connivance of the taxpayer's auditors. This is a grievous reflection on the profession. Fortunately, it has a narrow application . . . . I believe that an accountant has an important duty to his profession and his community, as well as to his client. The Department's efforts in this phase of its work are worthy of full support.

Loopholes in Law

In the second type of tax evasion or avoidance, there are much more subtle techniques. So long as there are loopholes in the law, there will be escapes from taxes. There can be no great quarrel with the legality of that even if one may question the morality of it. The administration tries to be fair across the board. It is an ideal perhaps beyond attainment. Thousands of dollars are spent annually in this country ostensibly to minimize taxes. I wonder if it ever occurs to people that tax avoidance is to a large extent merely the movement of the burden to other shoulders. It is the Department's function to administer tax legislation, not to make it, and therefore, to the fullest extent, the provisions of the Act will be invoked to ensure the most equitable administration possible.

I would like to make a plea for your help. It is a serious matter for any member of the Department's staff to accept gifts or favors from taxpayers or their representatives. The practice of ingratiation became quite prevalent and is now being stamped out. Any person who induces a member of the staff to disregard his duty will render such member a great disservice because he will certainly be fired promptly and the person himself will bring himself into serious disrepute with the Department.

The Department welcomes criticism—if it is serious and constructive. So long as there are taxes, there must be machinery to collect them. The Canadian system has a tradition of honest and fair administration. I believe all people, but especially professional accountants, have a responsibility to see that that type of administration continues.

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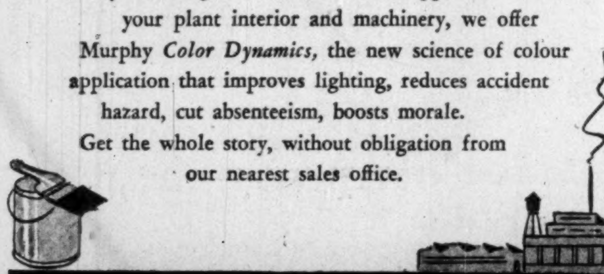

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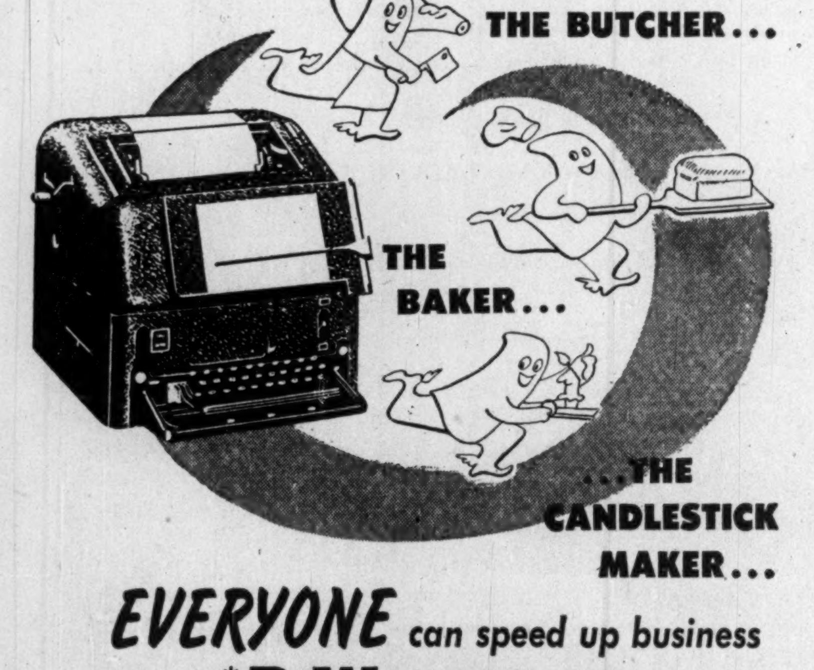

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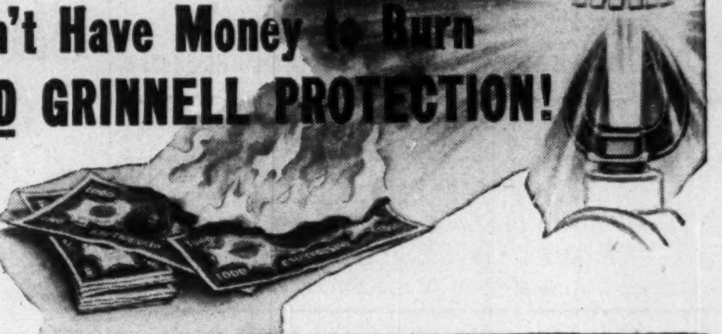

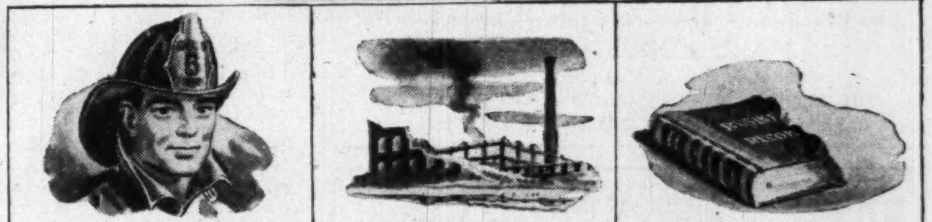

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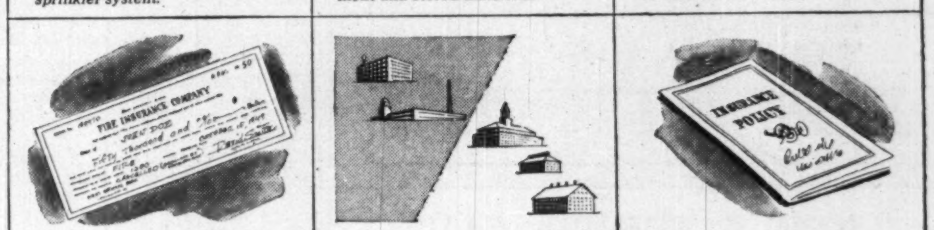

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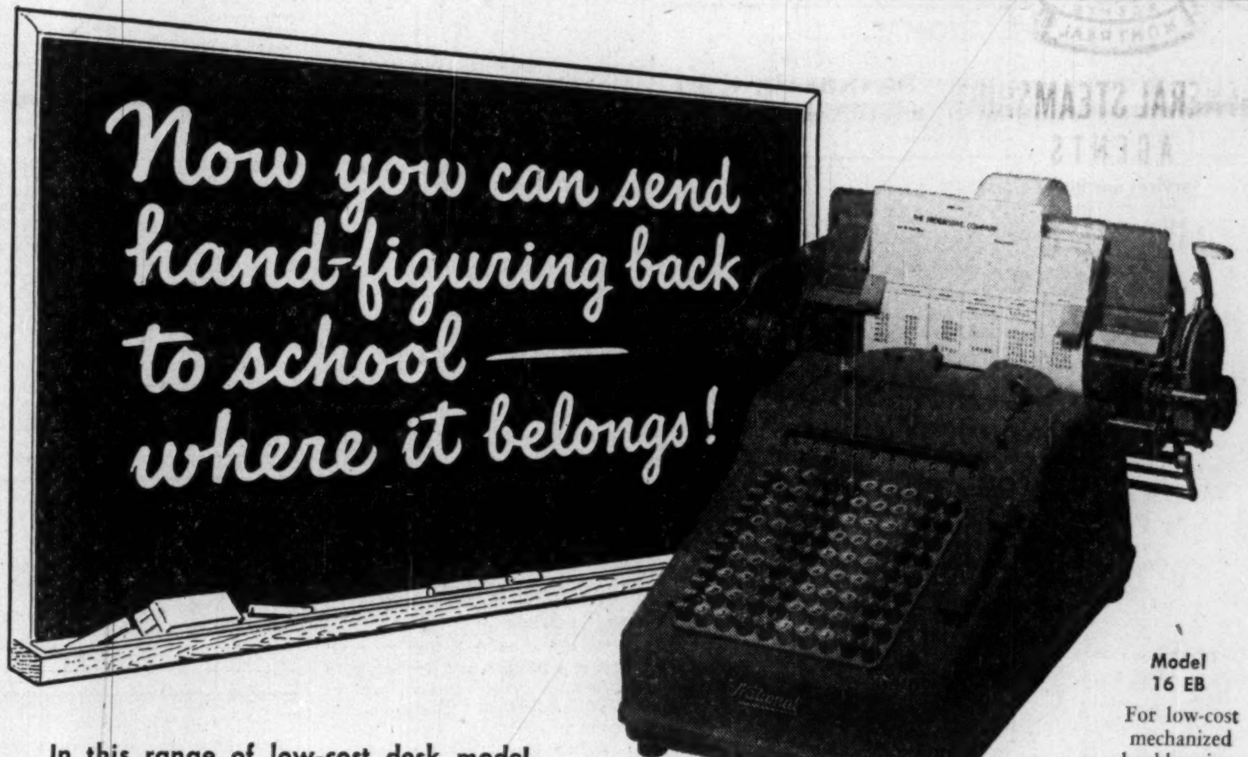

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Wants Greater Share of Taxes: When Ottawa meets the provinces again next fall, Finance Minister Anscomb is likely to battle for a greater share of the income taxes the Federal Government collects from B. C. Under discussion will be the 1947 agreement in which seven provinces, including B. C., surrendered income and corporation tax rights in exchange for yearly rental payments. For B. C., these payments mean $27 millions yearly, whereas, the minister says, the province could be collecting some $43 millions if it were levying its own taxes at prewar rates. Said Anscomb, "while B. C. was willing to help the 'have not' provinces (when they needed help) conditions have changed and the prairies with their rich oil finds and price-supported wheat crops can no longer be regarded as 'have nots'—we must now consider our own needs."

Clean Up Games of Chance: Describing midway games of Vancouver's Pacific National Exhibition as a "racket, building us a rotten name," directors this year have promised a fair deal for players, affording them a better chance "to win a doll or something." Wheels of fortune will henceforth be electrically operated, and spun by players themselves, will allow a games' operator little chance of "fixing" a wheel. About one third of crown and anchor games and other wheels will be thrown out entirely. Cash payments will be eliminated and the whole midway (games, sideshows and all) put in the hands of one concessionaire. Midway brought $80,000 in revenue to the PNE last year.

• • •

Alberta

County System For Oil Province? Alberta is toying with the idea of setting up a county system similar to that operating in Eastern Canada. Outlined in a bill introduced into the Legislature by Hon. C. E. Gerhart, proposed system would incorporate all or part of any municipal school or hospital district. An order-in-council would fix the number of councillors and set electoral divisions. Chairman of the council would take on all the powers of reeve, chairman of the school and hospital boards. County council would also have the power to set up three committees, municipal, school and hospital. First experiments with the plan may take place in the MacLeod district of Southern Alberta.

• • •

Saskatchewan

Hospital Levy: Saskatchewan's budget this year, like those of sister provinces is the biggest in its history — a gross $65 millions, with net expenditures of $55,020,760, some $6 millions higher than last year. $10 millions from the Federal Government in the form of subsidies for old-age pensions and construction of the Trans-Canada Highway round out the gross total. Capital expenditures will also hit a new high — $17,973,000 with revenue on capital account at the same figure. Supplanting the province's 2% education tax will be a 3% hospitalization levy designed to meet the rising deficit incurred by the province's hospital plan. New tax is expected to yield $9,600,000 the first year.

Poultry Market Board: Saskatchewan Poultry Association has approved in principle a scheme for establishment of a provincial poultry marketing board. Submitted by President D. L. Davis, purpose of board would be to stabilize prices over the whole year by orderly marketing of eggs and poultry meats in both domestic and export trade and would seek to secure maximum returns for the producer. Board would also work in co-operation with Manitoba and Alberta poultry men said to be seeking similar marketing boards but lacking legislation to do so. In Saskatchewan the province's Natural Product Marketing Act makes it possible.

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Manitoba

Would End Fiat System: Establishment in Manitoba of the right of individuals to sue the Crown and carry appeals to the highest courts has been urged in the Legislature by R. D. Turner (Lib.-Prog. Winnipeg South). Lawyer Turner wants to see the Crown on the same footing in law as a private citizen and an end put to the fiat system whereby a citizen can seek redress from the Crown only by throwing himself on the mercy of the Crown, thus putting the attorney-general in the position of being both judge and jury. Said Turner "this is a remnant of the Tudor notion of the divine right of kings and is a threat to all citizens in their daily lives, particularly now with the increased participation of government in business."

Work For 1,700 Men: Manitoba's largest individual postwar residential project will be started this year at St. James with announcement by Winnipeg construction firm, F. Lount & Son, that 630 homes will be built on the Strathcona estate during the next three years. Project, to cost $6 millions, will cover 200 acres with five- and six-room type buildings being built for private ownership at prices up to $10,000 each. New project means that Manitoba will have three big building jobs under way this summer, valued at $31 millions and utilizing a labor force of 1,700 men. The other two are: Imperial Oil Refinery at St. Paul, $10 millions; Manitoba Power Commission Development at Pine Falls, $15 millions.

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Ontario

High Post For Negro: Believed the first Negro in Canada to fill so high a senior municipal post, James E. Watson, 39, is the new city solicitor for Windsor. Appointment was unanimous, is subject to a 3-month probationary period and pays $5,700 a year. From 1947, Watson was assistant to city solicitor Lorne R. Cumming, now chairman of the Ontario Municipal Board. Educated at the University of Toronto and Osgoode Hall, the colored attorney also served in the war as an RCAF pilot officer. About 2,000 of Windsor's 125,000 citizens are negroes and at the municipal elections last December, one of them, Dr. Roy Perry, dentist, led all ward polls to win a seat on city council.

Fly In The Butter: For B. C. and Ontario dairy interests, legalization of the sale of margarine last year is proving hard to digest. In the former province, members of Fraser Valley Milk Producers Association describe oleo sales as serious blow, voted to donate one cent per pound of their June butterfat production to launch a national advertising campaign extolling butter and milk products. In Ontario a Federation of Agriculture deputation called on Premier Frost, cited a direct loss of $7,500,000 on cream alone, claimed the loss had affected the purchasing power of the country and that labor and industry were feeling the effects, urged that margarine coloring be strictly controlled.

• • •

Quebec

Gold Country Opens Up: Recent promise of Premier Duplessis that big doings are in store for Northern Quebec finds Town of Chibougamau preparing for a boom. Town lies at the end of a $4-million road cut 155 miles through virgin forest and is the jumping off point for gold and copper country, midway between James Bay and the St. Lawrence. Faith in the region dates back a half a century in which time some $5 millions have been spent on surveys by various mining concerns. Winter activity on the road has seen heavy trucking in of supplies and drills. An estimated 6,000 claims have been staked and by spring, lots in the township should be open to auction.

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Nova Scotia

More Tests For CNR Diesel: Successfully meeting winter conditions on the line between Montreal and Winnipeg, CNR's pioneer diesel-electric locomotive will now undergo month-long tests on the Montreal-Halifax express run. Diesel has shown itself capable of hauling 25 cars regardless of the season, as compared with the lower hauling capacity of steam loco's in winter. Running time between Montreal and Halifax is expected to be cut considerably with a single fuel load carrying the diesel the entire distance, thus eliminating engine changes, water and refueling stops.

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New Brunswick

Urge Bigger Grain Crops: A program to increase grain and forage crops for home consumption will be launched in New Brunswick this year, according to Minister of Agriculture A. C. Taylor. Program, aimed at meeting the shortage in poultry and livestock feeds as well as reducing cash outlay, urges farmers increase production by some 2 million bushels in 1950. Equivalent to some 30,000 tons of feed, it would represent a cash market value of $1,250,000; would raise total grain production to over 10 million bu., put 60,000 more acres under cultivation.

Plan For Minto Coal Field: Maritime Coal Production Assistance Act, passed last January and under which $10 millions was made available as loans to Maritime coal producers for mine mechanization, may soon be put to work in the N. B. Minto coal field. Ottawa and Fredericton plans would establish a coal-washing and cleaning plant to serve the field which last year produced 550,000 tons of coal valued at $3,600,000. Underscoring need to boost production is N. B. Electric Power Commission with steam plants at Saint John, Minto and Chatham using 200,000 tons of coal annually. Power expansion plans of the Commission will see demand rise to 400.000 tons. Ultimate demand for Minto coal could top 700,000 tons, officials say.

• • •

Prince Edward Is.

Shot In The Arm For P. E. I.: Believed his last major speech before Senate appointment, Premier Walter Jones has given P. E. I. Legislature a blueprint for trade expansion with Newfoundland and Labrador. Viewing tremendous possibilities for the Island as a water trading route, the Premier declared his province, with a surplus of farm products, was in excellent position to supply the Labrador ore development. Charlottetown is close to Seven Islands which, with its railway building would be a big market for supplies. He pictured a great triangular trading route with ships from Charlottetown plying to Seven Islands, from Seven Islands to Corner Brook, Newfoundland, and back to Charlottetown. Newly purchased motor vessel, the $75,000 Eskimo may pioneer the route.

To Buy Deep-sea Draggers: Over objections that small inshore fishermen would be put out of business the Government's intention to assist Island fishermen in purchasing draggers for deep-sea fishing was announced in the Legislature. The idea is that the nearby areas are getting fished out, and fishermen must go farther out to sea to make a living. It is planned to start this year with one or two trawlers similar to those used in New Brunswick, the cost shared between the Federal Government, the province and groups of fishermen who wish to make the experiment. Capital of $400 will put a man in the deep-sea fishing business, it is claimed.

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Newfoundland

Cost-Of-Living Group On Tour: Established last December with Frank Grisdale as chairman, members of Newfoundland's Cost-Of-Living Commission are now touring principal towns of the province to continue their investigation into all factors affecting prices in the various areas. Towns to be visited include Corner Brook, Buchans, Grand Falls, Lewisporte, Ganda and Bonavista. Prior to the tour, commission sessions heard evidence from the trade in these sections. On their return to St. John's, preparing of report for the Provincial Government will commence.

Expand Plant for Heat Units For Diesel-Powered Trains

MONTREAL (Staff) — Vapor Car Heating Co. of Canada has purchased a second plant in Montreal, which almost doubles present manufacturing facilities for Vapor steam generators, it is announced. These steam generators, installed in diesel locomotives, supply steam to heat train passenger cars. The company believes it will be the only manufacturer making them in Canada.

It is expected cost of new plant and equipment will be over $100,000, Norman English, vice-president in charge of manufacturing, states. The new plant, located at 3829 Courtrai Ave. has 33,000 sq. ft. of factory space, with an additional 75,000 sq. ft. of property available for expansion.

The present Vapor plant at 65 Dalhousie St, Montreal, was started in 1914 by A. D. Bruce, native of Guelph, Ont., president of Vapor Car Heating Co. of Montreal and of Vapor Heating Corp. of Chicago.

Vapor has two plants in the United States, one in Chicago where the Vapor steam generators are now being built for railroads and a plant in Houston, Texas, building large high-pressure steam generators for the oil field industry.

The company manufactures train-heating controls used in most railroad passenger cars and also finned tube heating and cooling radiators for industry. With increased use of diesel locomotives and new diesel manufacturing developments in Montreal and in London, Ont., it is important that Vapor steam generators, which play an important part in diesel use, be made in Canada, the company states.

The Vapor steam generators develop over 200 lb. steam pressure in two minutes from cold water and enough steam to heat a good-sized train, it is stated. The generators, installed in the demonstrating diesel locomotives now operating in Canada, can make almost 5,000 lb. of steam an hour or enough steam to heat almost 100 five-room houses in zero weather. Water is pumped through a steel coil several hundred feet long, while hot gases from atomized diesel fuel fire wipe over the coil, turning almost 10 gallons of water into high-pressure steam every minute, it is stated.

Industry is also finding many uses for these machines in the construction field to operate pile-driving hammers, steam hoists, ready-mix concrete plants, and operating oil well drilling rigs and chemical processing plant, steam cleaning, etc.

The increase in employment as a result of the expansion will depend on the business received from Canadian railroads and industry for steam generators, Mr. English states. However, he anticipates that there will be from a 10% to 15% increase over the present 80 employees.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CONSOLIDATED OKA SAND & GRAVEL CO. LTD. shows 1949 net profit of $3,046, off from the 1948 figure of $16,521. Production and sales up slightly, along with wages and cost of materials.

Maintenance and repairs amounted to $56,883 ($58,942 in 1948). President Frank M. Ross states that all outstanding income debentures were redeemed.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$37,552	$120,899
Accts. rec.	43,725	52,352
Inventories	56,801	41,560
Total curr. assets	138,078	213,811
Prep. exp.§	5,293	......
Misc. assets	3,883	13,631
Fixed assets*	246,475	261,335
Total assets	393,729	488,777
Total curr. liab.	53,450	71,544
Funded debt	100,000	180,000
Cap. stock: Pref.	95,475	95,475
Common	142,595	142,595
Earned surplus	2,209	▪837
*After depr. of	463,105	445,081

§Incl. in curr. assets in co's report.

▪Deficit.

	1949	1948
Working capital	84,628	142,267

Deficit Account — For the year ended Dec. 31, 1949, net profit of $3,046 was realized as against a profit of $16,521 in 1948. At Dec. 31, 1949, surplus forward, after adjustments, totaled $2,209, compared with deficit of $837 in 1948.

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BRITISH COLUMBIA ELECTRIC CO. has notified that holders of interim share certificates and interim bearer warrants relating to company's 4¾% cumulative redeemable preferred shares (issue of Feb. 1950) may exchange these for certificate in definitive form at offices of Montreal Trust Co. on or about June 7, 1950.

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Flameproof Drapes

New flameproof drapery material believed first of commercial asbestos for purpose, reports Canadian maker. "Colorbestos" is lighter-than ordinary asbestos cloth, drapes, folds easily, has good feel, will not flash, flame or "afterglow," cotton used in warp protected by twisted asbestos, says firm. Ten colors, three weaves said fast to light, washing, etc. To retail from about $8 to $11 yd. Recommended for clubs, theatres, hotels, schools, etc.

• • •

Pet Parking

New "Park-a-Pet" portable tethering device for dogs, etc., is said humane, preventing animal from being hurt in lunging to end of leash, getting tangled up in leash. Plate has corners digging into ground, with leash attached to rod with angular pull; special recoil spring makes for give when leash yanked near its full extent.

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Records Face Too

Full-color art work, pictures for public, employee relations, etc., can be carried on whole surface of new phonograph record. Said low-cost. Blazes new communications trail, requires new advertising techniques, claims company.

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Home Atom Kit

Said completely safe, home "Atomic Energy Lab" contains instruments which New Haven science kit firm claims do same feats as expensive professional equipment. Illustrates to youth constructive uses of atomic energy.

• • •

Canasta Pencil

Canasta scoring pencil gives players all scoring values in three colors on rotating interior cylinder. Precision-made with 24 kt. gold-plated parts, lettering in gold leaf on black barrel.

• • •

Flame Guards Self

Explosions from re-ignition in oil-, gas-burning furnaces after failure of flame said impossible with new U. K. robot control. Small direct current flows through flame itself, operates relay unit controlling electronic fuel supply valve. If flame dies, fuel cuts out instantaneously, maker says.

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Waterproofing

"Invisible Raincheck," specially developed for white, light-colored masonry, is said to protect permanently against moisture, water. Colorless, silicone product, protects basement walls, floors from seepage; saves outside walls from moisture discoloration, cracking through freezing of absorbed water; applicable to walls treated with oil or water paints, because of deep penetrating qualities, says Kalamazoo maker.

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Many-Faced Doll

New British doll has special surface for face so child can substitute different features with chalk.

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Seals Wood

Water-impervious sealer for wood is claimed by Monsanto in U. S. Penetrating, nonsanding undercoat for lacquers, paints, enamels, recommended for all types wood, plywood. Alkyd base, requires proper thinners. Suggested for brush handles, bobbins for textile mills, mill work, etc.

• • •

Measures Tightness

"Signal Operating Torsion Wrench" lights protected lamp in handle of wrench when nut, bolt is turned tight enough. Important for machinery under heavy stress, says London, Eng., maker. Works by deflection of compression spring proportionally to load, making pointer coincide with another pointer preset by sealed switch for desired load, when that load reached.

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Fire Markers

Chicago firm offers new decal sets to identify fire extinguishers: one kind marks for use against wood, paper, rubbish fires; another, against electric, chemical, gas fires; third, against fire any origin except electric.

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New Egg Beater

Nylon used for pinion gears in new egg beater in U. S. No sign wear after 500 hours' continual operation, says maker. Has chrome-plated die cast frame, drive wheel, plastic handle, stainless steel blades.

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Greaseless Popcorn

No grease, butter, oil needed with new type popcorn popper, says Chicago maker. With heating element totally enclosed, resting on four legs, popper has upper round popcorn section with automatic rotation of agitator in bottom. For living-room use.

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Robot Doorman

New robot door operator gives greatest possible safety, says Michigan manufacturer. Friction drive will slip if door blocked, cuts out if overloaded more than set period; door can't close unless opened at least halfway, firm states. Door opens, closes by push-button controls or remote control from moving vehicle.

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Invisible Glove

Special "barrier cream" developed by British firm is said to give adequate protection to hands of workers using tars, acids, oils, grease, etc. Seals hands with individual "cream gloves."

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Iron Rest

Hot irons can be stored immediately after use on new hanging iron holder, eliminating standing iron on end to cool with danger of tipping, Detachable fireproof rest fits flat on ironing board, protecting board, allowing resting iron without lifting. Cord wrap-around part attaches to door, wall for space-saving storage, says U. S. maker.

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Insulates Papers

Filing cabinet of treated wood is often only charred by fire, does not conduct heat readily, so protects papers, says British maker.

• • •

Tube Bender

New hydra-power bender bends tubes, angles, channels, strip stock, round, square rods, moldings, bus bars, etc. Efficient in most metal-working plants, says Minnesota maker.

• • •

Speedy Power Saw

Speedy, easy tree-felling, cutting claimed with English "Tornado" power saw. "Revolutionary" in design, portable, weighs 42 lb., cuts 24 in. diameter in 42 sec., says maker. Run by one man, has 4 hp. two-stroke engine said to have long-life features for polar, tropical, ordinary weather. Gives double cuts up to almost 60 in.

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Takes Paper's Pulse

New paper tensiometer said to make possible accurate control of tension of paper in manufacturing, reeling operations. Keeping steady check, connects to electronic controls on paper machines, says U. S. firm.

• • •

Coal Screen

Specially for coal or limestone, new screen has fine mesh, single deck divided in three sections, each with slope five degrees less than one before. Said to allow high rate of material travel at feed end, with reduced rate as moves to discharge end, keeping proper bed depth at every point.

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Air Line Filter

New filter for air lines of air-powered tools said to pick out dirt, grit, scale. Of porous bronze, can be cleaned of trapped particles with blast of steam, air in reverse direction; cleaned occasionally with solvent.

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Special Electrode

Extra tensile strength claimed for "Electrode 2101" for welding aluminum, aluminum alloys. Overcoming aluminum welding problem, said to have no stop-and-start welding difficulties.

• • •

Plastic Butter Wrap

Fifty per cent saving in cost printing, forming, wrapping butter, margarine is predicted by Connecticut inventor offering new system molding, wrapping for those products, ice cream, cheese. Machinery puts product into "V-Paks" in any shape, sliced or in patties, in exact fractions of pound. Outer coat, of plastic, is heat sealed, gives special protection, maker claims.

• • •

Potato Planter

Simplicity, economy claimed for new British three-row potato planter. Said to be 95% to 97% automatic; features ease in changing spacing between rows; drawbar pull not over 2,000 lb.; in most seed beds, usable as planter, planter coverer or planter coverer and ridger. Will plant up to 16 acres per day, is claim.

• • •

Weaver's "Flash"

Speedier weaving claimed with new English "Stroboloom." A high-intensity Stroboscope, it is synchronized with movement of shuttle so it flashes light 50 millionths sec. each time shuttle passes a point set by operator. Even in lighted room makes shuttle appear to "freeze" stationary at given point, aids checking lay of thread behind shuttle, locating broken threads, defects owing to shuttle faults.

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Soapless Sponge

Stainless steel scouring pad cleans pots without soap, claims New York maker. Single-strand pad will not splinter, rust, lasts three to six months normally, firm says.

• • •

Unscrambler

"Straightline Unscrambler" said to solve problems in unscrambling wide-mouth tumblers, tapered containers at high speed. New machine has steel plate above moving belts of unscrambling table so undersurface clears tops of tumblers preventing from tipping over, pushing upward. Adjustable to different size containers.

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Man-Made Coral

Seven years' research produced new organic material imitating shell, coral, jade, lapis lazuli, turquoise, onyx. Being used in Britain for cameos for export.

• • •

Drawing Machine

New "Medigraph" machine in U. K. said to give perspective automatically, save time spent in orthographic projection for magazine, advertising, engineering drawing, package, product design. Two adjustable horizon bars extend from sides of any conventional drawing board, support twin spools on pivot pins in outer ends of bars. Pins form positive left-, right-hand vanishing points for system. Free ends of steel ribbon, contained in each spool, extend to join at circular plate carrying "Perspex" rule. This can be moved to any part of drawing, be rotated through 360 deg. by plastic knob. Ribbons, flat on board, swinging on pins, are edges aligned from any point to the vanishing points; "Perspex" rule is for vertical, other lines. Vertical dimensions above eye level appear foreshortened, corrected lengths from scale on "Perspex" rule. Said inexpensive, easy to use.

COMPANY REPORTS

BATHURST POWER & PAPER CO. LTD. reports net profit of $1,701,398 for 1949, slightly higher than the 1948 figure of $1,685,486. Decrease in sales from $15,586,248 to $15,057,436, and in production from 122,812 tons to 114,133 tons, was chiefly due to lower volume and prices for unbleached sulphite pulp.

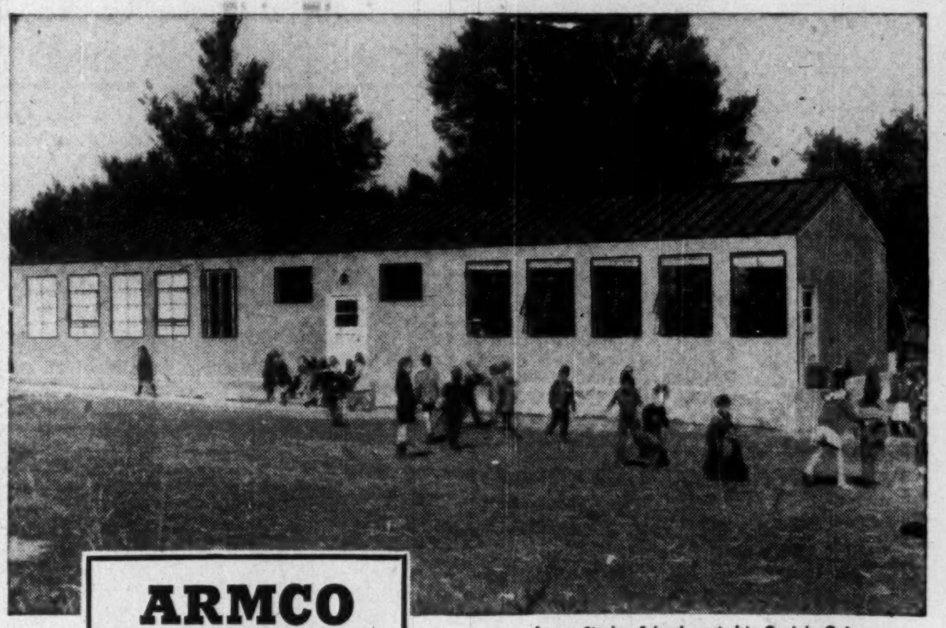
Capital expenditures totaled $1,261,023 and included a rehabilitation program for the wood preparing department, installation of a Venturi Scrubber, replacement of blow pits in the sulphite pulp mill and equipment for the container plants. President R. L. Weldon states that work has started on construction of a semi-chemical pulp mill at Bathurst which will use hardwood as a raw material. The resultant pulp will be used in the production of a new type of corrugating board. Construction of a new plant at St. Laurent to manufacture shipping cases will commence this spring.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
	$	$
Net sales	15,057,436	15,586,248
Gross income	3,833,341	3,643,525
Less: Depreciation	610,931	545,189
Depletion	87,086	91,506
Bank interest	......	14,232
Bond interest	125,250	108,436
Amort. bd. disct. & exp.	8,676	8,676
Inc. tax res.	1,300,000	1,190,000
Net profit	1,701,398	1,685,486
Less: Cl. A divds.	1,000,000	900,000
Cl. B divds.	162,500	75,000
Surplus for year	538,898	710,486
Earnings per Share and Dividend Record:		
Cl. A: Bef. part.	$4.25	$4.21
Cl. A: After part.	3.24	3.26
Paid & payable.	1.62½+0.87½	1.50+0.75
Cl. B: After part.	1.24	1.26
Payable	0.50	0.25

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$3,130,678	$2,605,794
Investments▲	1,402,955	1,039,268
Accts rec.	1,311,829	1,391,057
Inventories	4,763,079	5,370,889
Total curr. assets	10,608,541	10,407,008
Inv. & adv.	45,004	45,004
Misc. assets*	688,301	633,409
Fixed assets■	14,262,351	13,691,679
Total assets	25,604,197	24,777,100
Accts., etc., pay.	1,775,823	1,767,731
Taxes pay.	852,009	699,144
Total curr. liab.	2,627,832	2,466,875
Contings., etc., res.	41,313	39,071
Funded debt	3,500,000	3,500,000
Capital stock	15,365,000	15,240,000
Surplus	4,070,052	3,531,154
▲Market value	1,401,570	1,033,585
*Incl. ref. EPT	44,622	51,786
■After depr. & depl.	8,265,489	7,575,138
Working capital	7,980,709	7,940,133



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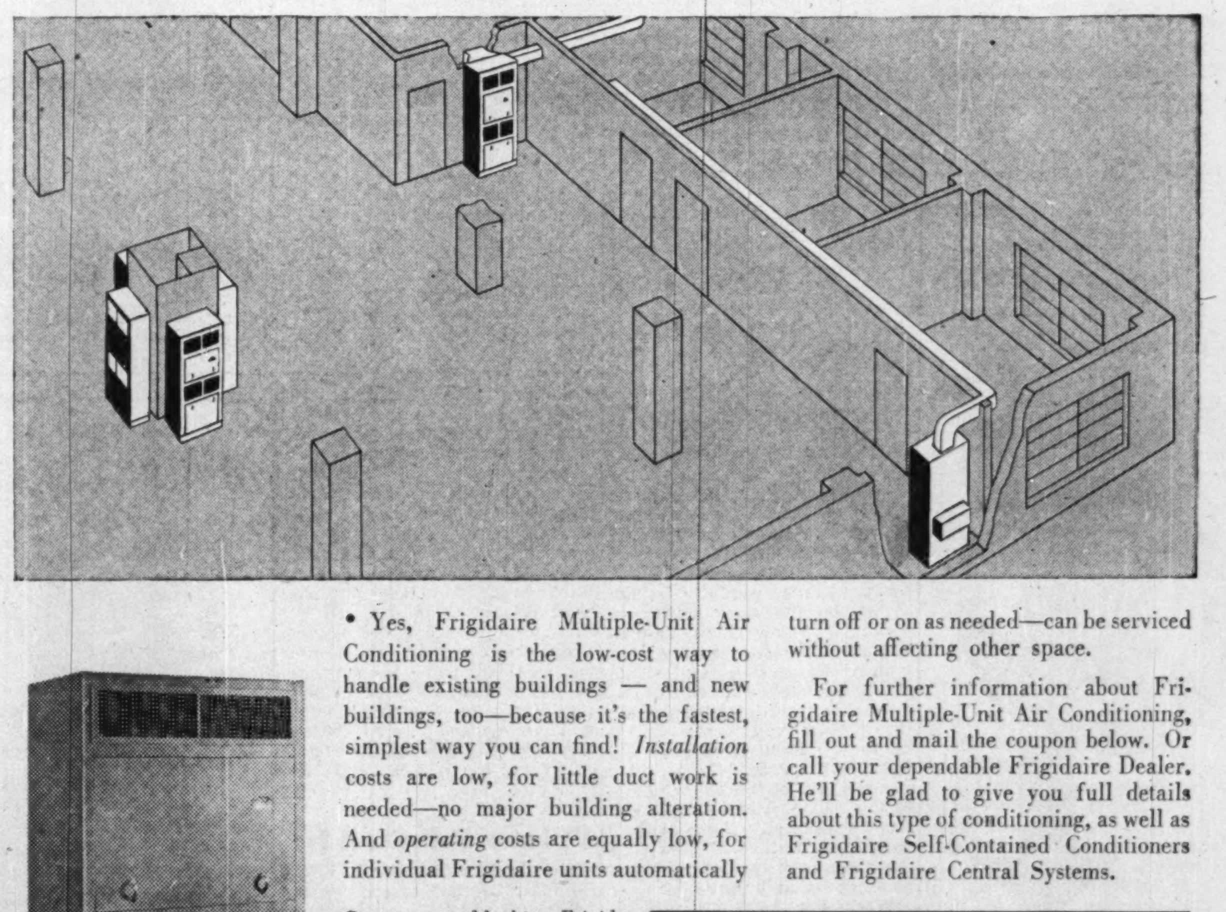

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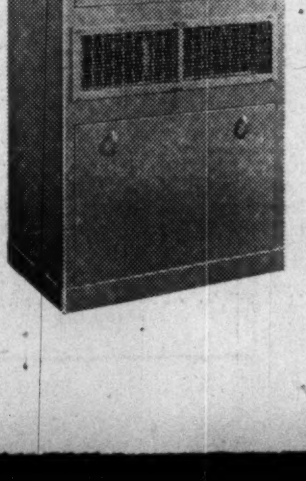

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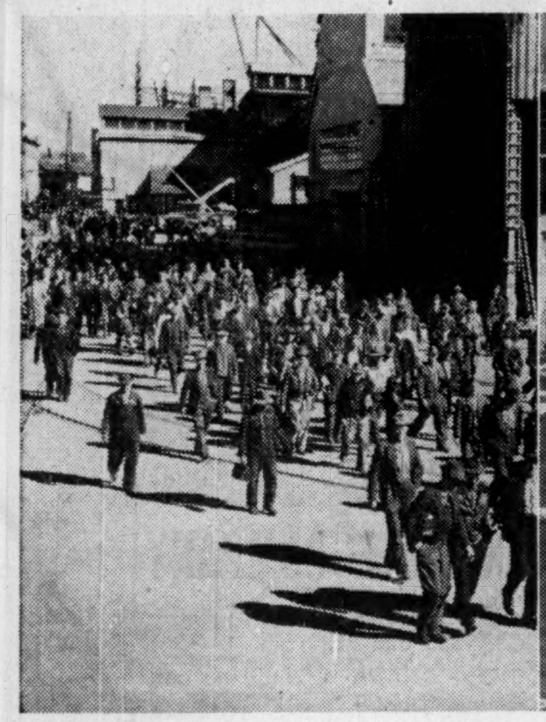
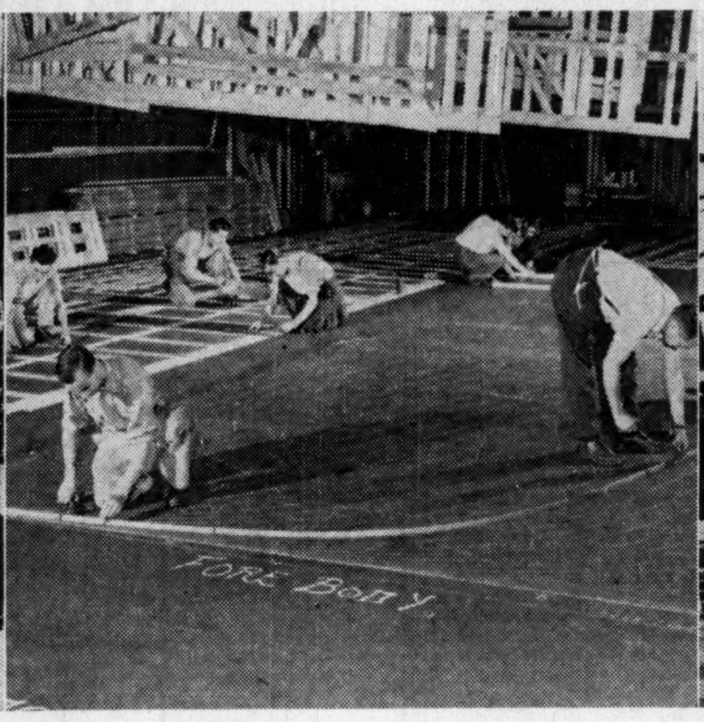
The Financial Post

Vol. XLIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, March 18, 1950 | Fifteen Cents an Issue, Five Dollars a Year | No. 11

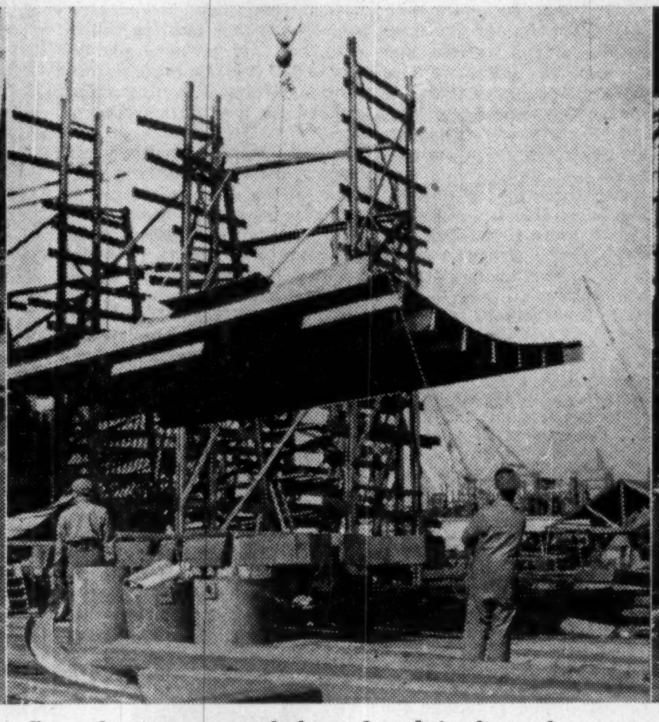
$60 Million Orders Are Expected to Keep 7,000 Busy in Canada's Shipyards in '50



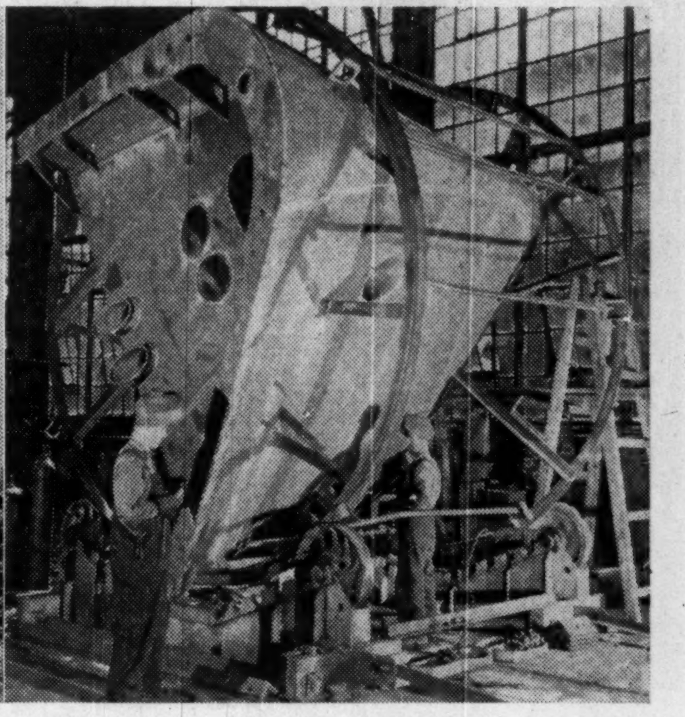
Jobs for 7,000 are tied up in current shipbuilding program. These are North Vancouver workers.



Ships are made like dresses . . . first the pattern has to be cut. These Quebec workers are tracing full-size design.



From the pattern, a steel plate. Here, being lowered to stern of collier in Vancouver shipyard.



Some ships' bows are prefabricated as for Rhine barge in this picture taken in Quebec yard.

How Will Our Shipyards Weather Devaluation Storm?

Government, Defense Orders Swell Business for '50—Then, Big Problems to Face

By KENNETH R. WILSON

What's ahead for the Canadian shipbuilding industry in 1950? How far will government orders offset the collapse of merchant tonnage orders since devaluation?

A survey by The Financial Post this week shows total employment in Canadian shipbuilding yards is presently close to the 7,000 mark. And maritime experts in Ottawa believe that despite devaluation and the virtual blackout of foreign business, total employment will stay above the 7,000 mark this year.

Comparative employment figures averaged close to 15,000 through 1946 to 1948. In 1949, the industry climbed down from an average of 11,000 during the first six months to about 7,500 as the year finished. These employment figures include repair and maintenance work, estimated for 1950 at between $10 millions and $12 millions.

Present volume of orders in the hands of Canadian shipbuilders is placed at $58-$60 millions.

That's exclusive of the $3¼ million CSL bulk freighter which was virtually completed in 1949 and a 1,000-ton passenger vessel at Collingwood also ready for April delivery. It's also exclusive of the $7 millions of Argentine orders that have been hanging fire in Halifax now for the past two years and which are also due for April cleanup. Also not included is the $2 million Arctic vessel, C. D. Howe, which is now nearing completion.

The $58 to $60 million order figure looks big and impressive. But it's heavily swollen with government and defense business. When broken up into components, the real problem of post-devaluation shipbuilding in Canada looms clear and large.

Here's the score:

1. Export Business: Apart from the Argentine hangover job already mentioned, the only business is four small coaster vessels on order from Venezuela. They represent orders on which a great deal of work had been done prior to devaluation. As well, there is an order with Canadian Vickers for a sea-going dredge for Creole Petroleum Corp.

There is one prospect pending for another vessel on foreign account. If the order is placed in Canada it would be a welcome boost for employment later this year.

2. Domestic Business (private account): Exclusive of work which was virtually completed last year and is ready for April launching, it is estimated that commercial business now on the books of Canadian shipbuilders is worth about $12 millions. All but $1¾ millions of this is in the Great Lakes area. There is none of this in the Maritimes or on the Pacific Coast.

3. Federal Government Account: Subtract all the above business from the over-all total, and it will be seen that 70 to 75% of all business presently on the books of Canadian shipbuilders is on Federal Government account.

Here's the breakdown of federal orders by areas:

(a) Pacific Coast—$9 millions.
(b) Great Lakes—$900,000.
(c) St. Lawrence yards—$25.5 millions.
(d) Atlantic—$9 millions.

That's a total of close to $45 millions of federal business. But it is business which has to be analyzed carefully from the point of view of the shipbuilding industry and employment.

For example, the biggest single item in this, or the entire program is the national defense order for three escort vessels, estimated to cost about $8 millions each.

It's estimated that close to 30% of the value of the escort outlay is for electronic equipment which will be built entirely outside the shipyards.

In respect of these escort vessels, the three biggest items, no keel will be laid until well on in 1950.

This means that there is virtually little or no work for any shipyard in the Maritimes or on the Pacific Coast except the minesweepers and they are not due to be finished until 1951 and are worth only $900,000.

One complication about measuring the extent of the escort vessel program is that displacement tonnage of these naval vessels is supposed to be on the secret list. That means it isn't possible to total up the 1950 tonnage under construction on a basis comparable to figures generally published for merchant tonnage.

There has been some complaint that actual contracts for some of the new defense vessels have not yet been signed. Ottawa authorities insist that this is largely a technicality; that yards who will build the ships have all been notified and that there has been no holdup in employment due to the fact that contracts are unsigned.

The first official yardstick of the decline in merchant tonnage construction in Canadian yards came from new Lloyd's Register figures compiled for 1949.

These figures show Canadian launchings dropped 30% last year to 70,000 tons against 102,000 in 1948. The 1947 figure was 104,000 tons. (These launching figures are sharply different from "tonnage delivered," the basis used by Canadian Maritime Commission in its annual reports on Canadian shipbuilding. In the accompanying table, both figures are shown as far as they are available).

What is highly significant about the Lloyd's figures is that the drop in Canadian tonnage being built in Canada for other countries in 1949 more than accounted for the drop in total tonnage launched.

Vessels of all types launched in Canada in 1949 for registration in other countries amounted to 38,006 tons as against 96,507 tons in 1948—a drop of 58,501 tons as against a drop in the total tonnage launched of 34,640 tons.

Further tonnage under construction in Canada at Dec. 31, 1949 totaled 33,150 tons—26.8% less than the 45,280 tons under construction at Sept. 30, 1949 and 56.6% less than the 76,192 tons reported at Dec. 31, 1948.

Repair Business Hit

The 1950 outlook for export shipbuilding business for Canada is a combination of postwar adjustment and devaluation of British and European currencies which reduced the cost of these countries' ships around 25%. As well as affecting new orders, this is cutting into the ship repair business of Canadian firms.

Aided by devaluation and their own postwar recovery programs, European shipbuilders are getting back into the field to a greater extent.

Labor accounts for 25% to 30% of the total cost of building a ship. There are around 500,000 man-hours used in the construction of a merchant ship, depending on its size. Wage rates in the United Kingdom, since devaluation, are only around 40% of comparable Canadian wage rates.

While merchant tonnage launched by Canadian shipbuilders declined in 1949, tonnage launched on a world basis was higher than for any peace year since 1921, according to Lloyd's Register.

More than 3,130,000 gross tons were launched throughout the world in 1949. This includes all merchant ships of 100 gross tons each and upward, covering all the principal maritime countries except Russia and Germany, for which returns are not available.

The 1949 total of 3,131,805 gross tons shows an increase of 822,062 tons over the 1948 total. Declines were reported for only Italy, Denmark, Belgium and the British Commonwealth Countries which includes Canada.

In gains, the United States led all nations, with an increase of 506,888 tons, as against one of 91,121 tons for Great Britain and Northern Ireland, and one of 224,053 tons for all the other maritime countries taken as a group.

In the following gross tonnage table, Lloyds' Register shows the comparison of tonnage launched throughout the world during the past two years:

	1949	1948
Great Britain and Northern Ireland	1,267,467	1,176,346
United States	633,306	126,418
Sweden	323,099	245,896
Holland	169,295	142,485
France	154,859	138,260
Japan	149,974	......
British Commonwealth Countries	101,747	123,609
Including Canada	**69,681**	**102,321**
Italy	99,150	111,555
Denmark	86,134	99,426
Norway	59,213	46,974
Belgium	45,402	52,456

It would appear that the present outlook for shipbuilding in Canada in 1950 is conforming closely to the plans and objectives outlined by the Canadian Maritime Commission in its annual report issued late last year.

In this report, the Commission stated:

"In view of the geographic vulnerability of the shipbuilding and ship repairing industries in U. K. and Continental Europe in the event of another war, it appears to be the part of wisdom to maintain a nucleus of strategically placed shipyards in Canada capable of expansion in emergency to meet the national shipbuilding defense requirements.

"These yards should continue in the production of sea-going ships so as to maintain fully integrated organizations of design and technical forces, yard personnel and facilities. The level of the industry is steadily dropping in Canada, and unless positive steps are taken it is likely to continue to decline.

"With this in mind we have endeavoured to determine the minimum operating level below which the industry should not be allowed to fall. This must of course be a matter of estimate but translating the information we have obtained into manpower and dollar volume of business we have reached the conclusion that the average monthly employment in the shipbuilding and ship repairing industry should not fall below 7,000, of whom roughly one half would normally be engaged in ship repairs and conversion and that the dollar volume of new construction based on present-day costs should amount to approximately $28 millions per annum.

"An analysis of the records of the shipbuilding and ship repairing industries in Canada for the 10-year period prior to 1939 shows that average monthly employment was 3,478 men. During that period the average yearly gross tonnage of new shipbuilding delivered, other than tugs, barges and small craft under 150 feet, amounted to only 3,725

"For the purpose of this report it may therefore be assumed that in the future 3,500 men can be maintained in the shipyards on repairs and conversions alone. The remaining 3,500 men employed on new construction would represent approximately 7,000,000 man hours of direct shipyard labor per annum.

"Expressing direct labor as 25% to 30% of the selling price of a ship, depending on the gross tonnage and type of vessel built, and taking the average hourly wage rate of the shipyard worker at $1.10, it follows that the annual dollar volume of new construction necessary to maintain 3,500 men would be close to $28 millions.

"It would therefore appear that the shipbuilding industry must find $28 million worth of new building annually to preserve the required nucleus of skilled labor, although two-thirds of this amount would be spent outside the shipyards in purchasing machinery, components, equipment and materials. There are three sources of such revenue: building for domestic order, including deep-sea, lake and coastal, building for foreign order, and building of naval and departmental vessels for government service.

"To assist in the preservation of a nucleus of employment in the shipyards, a plan of co-ordination of government shipbuilding has been adopted. A number of vessels are owned and operated by government departments including the Department of National Defense. A considerable amount of new building is required from time to time and all government building is now being planned so that orders for building of required government vessels can be placed at such time when no other building is available and so that employment can be maintained in the shipyards at least on a minimum basis.

"It is obvious that all Canadian shipyards cannot be assisted by this means and it will without doubt become advisable at times to have work assigned on a negotiated price basis to certain of the shipyards which should be maintained for employment and security reasons.

"The Commission has been charged with this duty of co-ordinating government shipbuilding requirements and making recommendations in regard to the placing of orders."

Here's Program for Shipbuilding

No. Vessels	Type of Vessel	Est. Value or Tonnage	Yard	Purchaser
(I) EXPORT BUSINESS				
3	Passenger-Cargo*	3,100	Halifax Shipyards	Argentine Govt.
4	Coaster	558	Can. Vickers	Venezuela Govt.
1	Sea-going Dredge	3,750†	Can. Vickers	Creole Petroleum Co.
	Total Value			**$11,000,000**
(II) DOMESTIC ORDERS				
(a) Private Account				
(1) Great Lakes Yards				
2	Pipeline Tankers	21,500	Port Arthur Collingwood	Pipeline Tankers Ltd.
1	Passenger Car Ferry*	1,000	Collingwood	Owen Sound Transport
1	Bulk Freighter*	12,000	Midland	Can. Steamship
1	Bulk Cargo	20,000	Port Weller	Misener interests
(2) St. Lawrence Yards				
1	Lake vessel	2,000	Can. Vickers	Hall Corp.
1	Canal-size Tanker	2,300	Marine Industries	Branch Lines
	Total Value			**$15,750,000**
(b) Government Account				
(1) Pacific Coast				
1	Escort Vessel	$8,000,00	Burrard Drydocks	Can. Navy
1	Minesweeper	$900,000	Victoria Mach. Depot	Can. Navy
(2) Great Lakes				
1	Minesweeper	$900,000	Port Arthur	Can. Navy
(3) St. Lawrence Yards				
1	Escort Vessel	$8,000,000	Can. Vickers	Can. Navy
1	Dredge	...	Can. Vickers	Dept. of Public Works
1	Lightship	$618,000	Can. Vickers	Dept. of Transport
1	"C.D. Howe" Arctic Patrol*	$2,000,000	Davie Shipbuilding	Dept. of Transport
1	Minesweeper	$900,000	Davie Shipbuilding	Can. Navy
1	Icebreaker	$5,000,000	Davie Shipbuilding	Dept. of Transport
1	Trawler Type Gate Vessel	...	George T. Davie	Can. Navy
1	Icebreaker	$6,000,000	Marine Industries	Can. Navy
(4) Atlantic Coast Yards				
1	Escort Vessel	$8,000,000	Halifax Shipyards	Can. Navy
1	Minesweeper	$900,000	Saint John Drydock	Can. Navy
	Total Value			**$44,000,000**
	GRAND TOTAL			**71,150,000**
	Less: April Deliveries			**12,750,000**
				$58,400,000

Note: The 3 escort vessels ($25 millions) are not scheduled for delivery until 1952; the 4 minesweepers ($3,600,000) are scheduled for 1951.

*April or May delivery.

Highlights of Canada's Postwar Shipbuilding

	Gross Merchant Tonnage Launched†	Gross Merchant Tonnage Delivered	Naval Tonnage	Value ($ Millions) Building	Value ($ Millions) Repairs	Av. Employ. No. workers
1945	....	126,400	280,000	132.0	32	35,000
1946	....	53,300	12,300	28.5	22	14,900
1947	104,000	82,000	2,300	44.0	24	16,000
1948	102,300	154,200	2,300	87.0	20	14,000
1949 (est.)	69,700	....	....	*	15	9,500
1950 (est.)	....	....	....	*	10-12	7-8,000

†Lloyd's register figure.
*Not available; estimated value of orders presently on books $58 to $60 millions.

End Labor Strife at Bridge, Golf

Workers, Bosses Friendly Partners in Unique Swedish Setup

Robson Black is president of the Canadian-Scandinavian Foundation and former president of the Canadian Forestry Association. Currently on one of his periodic visits to Scandinavia, he writes here a second article from Sweden, especially for The Financial Post (the first appeared last week).

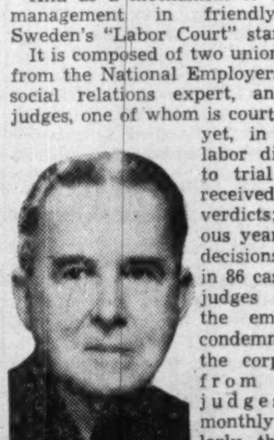
By ROBSON BLACK

STOCKHOLM, Sweden.

Sweden is the most completely unionized country in the world.

And as a mechanism to keep labor and management in friendly partnership, Sweden's "Labor Court" stands unique.

It is composed of two union delegates, two from the National Employers Association, a social relations expert, and two former judges, one of whom is court chairman. And yet, in a total of 80 labor disputes brought to trial in 1949, 70% received unanimous verdicts; in the previous year 75 unanimous decisions were rendered in 86 cases. That is, the judges selected from the employing group condemned repeatedly the corporate litigants from whom those judges draw their monthly salaries. Similarly, the labor unionists on the tribunal sided against their own union colleagues.



MR. BLACK

The Stockholm Labor Court deals only with interpretations of collective agreements and is not a wage-fixing body. Not only are its judgments final, and completely clear of political influence at all stages, but the judges have authority to impose monetary fines.

How promptly such penalties are imposed is illustrated by a case on trial during one of my recent visits to Stockholm. A small manufacturer dismissed an employee for persistent absence from duty. Sixty fellow workers called a sympathy strike in protest, and the employer sought the aid of the Labor Court. Two days after the hearing opened, a unanimous judgment was scored against the union and the strike collapsed. The union was fined $1,500; each striker $56. The fines were then turned over to the aggrieved company as compensation.

Should a judgment go against a well-to-do corporation, the indemnity may run to a considerable sum—payable to the union—and may far exceed any computable damage done to union members. Such punitive action reflects the court's determination to make collective agreements too expensive to trifle with. In the event of a company declaring a lockout against any of its men during the life of a contract, the Labor Court can, and does, make the employer pay all wages lost during the time of hostilities, and then may clamp on a substantial bonus.

Here's a case disposed of only a week ago. A plant engineer reprimanded a shop boy for good reason and in an ensuing quarrel struck him. The company suspended the engineer for a month and later took him back in an office job. In protest, the workers dropped tools and went home, claiming they were on holiday. The verdict of the Labor Court was that the men had violated their collective agreement by striking and they were ordered to return to their duties. It was a unanimous judgment. The moral force of it is so great that no litigant dares to flout it.

In case after case, a principle has been laid down that during the term of a collective agreement, usually one year, work must not be interrupted by either strike or lockout. Because a union thinks an employer is "cutting corners" is no justification of work stoppage. Any charge of unfairness by either side can be taken to the court on short notice and usually is passed upon within a few days.

Of Sweden's 7 million population 1,250,000 are members of the National Labor Federation. As a general rule, collective agreements forbid the use of nonunion labor. Indeed, by Swedish law, if an employer hires unorganized men at less than union rates, he can be made to pay into union funds the difference he has saved.

At variance with the Canadian system, where government departments of labor, with staffs of negotiators and peacemakers, play a major role in labor-management disputes, Swedish government machinery involves itself in such matters hardly at all.

Unions and employers have long insisted on being allowed to adjust any differences on a man-to-man basis, and have a distaste for triangular conferences involving government arbiters. This, of course, reflects the close and amiable relationship between employer and employee characteristic of the hundreds of small industries throughout Scandinavia. But it is equally an expression of the mutual abhorrence of strikes and stoppages and is one of the reasons why the Labor Court operates with such absolute authority and absence of friction.

The Swedes have worked out many original patterns for labor-management co-operation and one of the most successful is by the surrender of the autonomy of the local union. To a substantial degree, negotiation in times of trouble is lifted from the level of the "local" to the calmer judicial atmosphere of Stockholm, where two national federations of employers and laborites, with their large expert staffs, attempt a realistic compromise.

These federations enjoy equal standing, their members are personal friends, their salaries and social status are of a common level.

When a controversy gets too embittered, they adjourn in a body to the seaside resort of Saltsjobaden and play bridge and golf together and somehow or other come to agreement. Then the agreement is typed out and signed—and they all go fishing.

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It's An Odd Business

He'll 'Wash' Worn, Rusted Old Metal

Four-ton Tub at Metal Laundry Uses Steel Shot For Water

By HARLEY POTTER

Andrew Charles Boak is a 40-year-old engineer who takes in washing to make extra money.

But it really isn't quite that way. He "washes" steel, iron and brass, not clothes, at his Metal Laundry Ltd. in Toronto's industrial area. And it's shaping up into quite a business in its own right.

Owner of Non-Ferrous Castings, a foundry business, he conceived the idea of branching out into another line, which he opened across the lane about two months ago. There he takes in worn, rusted, paint-covered, muddy metal parts and turns them out looking like new.

The Metal Laundry "tub," a shot blasting machine, weighs about four tons.

The "washing" is placed in an inside cabinet of about five cubic feet. Closed up, this revolves and fine steel shot—so fine you can just make out the individual pieces—is dashed in from above by a sort of paddlewheel. The shot carries dirt, rust, etc., with it out the bottom, up a special elevator to the top of the machine again. Here a special device separates the cleanings from the shot, takes the cleanings out an exhaust blower to a dust hopper. The shot shoots through the cabinet again.

It takes three to ten minutes to clean parts; five for most. The machine handles about one ton an hour. Boak has had it going pretty steady eight hours a day; one man handles the operation.

Born in Halifax, Boak is a graduate in metallurgical engineering from McGill University. Employed by Canadian Bronze Co. and Empire Brass at Montreal, he was with the Department of Munitions and Supply at Ottawa during the war. A metals consultant in Toronto after the war, he started his foundry from savings in 1946.

Boak's foundry used to send its castings out to have the sand cleaned from them. Other companies have shot blasting equipment, but it is not generally regarded as a separate business proposition. They took in his parts as a part-time use of their equipment.

With a laundry business first, cleaning his own castings second, Boak finds a wide field opening. The service doesn't have to be "sold," he says. "You just show them one of those rusty metal parts, then a cleaned one with a surface just like a new casting, and they catch on." Many who had not realized before such work could be done, were doubly delighted. Others found the service so cheap—fee averages around one cent per lb.—they switched from costly wire brushing by hand. He cleans new castings for other foundries. Service can also replace sand blasting, acid pickling in a manufacturer's own plant.

The laundry can do shot peening on air drills for mines—smoothing worn parts to make them last longer, cutting out "stress concentration" in grooves. In some cases life expectancy of auto springs can be lengthened 10 times, Boak says.

Cleans "Anything"

Shovels can be cleaned. "Anything, so long as the gauge is not too thin." Cement can be removed.

Frequent use is stripping enamel or paint before re-enameling parts.

ANDREW C. BOAK

Just now you should, if needed, de-grease the washing before sending it to the laundry. But Boak is working on that, promises to do preliminary grease removal at the laundry soon.

Business, naturally, is practically all local. However, when The Post dropped in the laundry was working on a batch of transfer boxes from surplus front-wheel-drive army trucks, cleaning off the rust, grime, gathered in service at Singapore.

Lusty $74,676,791 Budget Mirrors Alta. Oil Wealth

From Our Own Correspondent

EDMONTON — Blessings of oil were manifest in Alberta's record $74,676,791 budget brought down by Premier Manning. This 1950-51 budget is $9,478,791 higher than for the 1949-50 fiscal year. For the first time, Manning has budgeted for a surplus—$2,536,439. Revenue is estimated at $77,213,230, compared with $62,771,000 last year, an increase of $14,442,230.

The premier pointed out that with revenue from the province's natural resource, principally oil, representing one third of the budget, revenue from this source is now more than that from taxation.

He estimated oil and natural gas will yield $18,865,000 in revenue to the province in this fiscal year, up $7.8 million on the 1949-50 figure.

The 1950-51 oil revenue figures are composed of: purchase price from leases $12 millions; rentals and fees, $4 millions; royalties, $2.8 millions; miscellaneous, $65,000.

One highlight of the budget was the announcement of a huge debt reducing program. Manning said the debt at June 1, 1950, will be $110,628,472, representing $127.16 per capita. He compared this with the total debt of $167,027,144, representing $216.15 per capita at March 31, 1936.

Announced were plans under way to pay off a total of $19,269,808 in bonds callable June 1. This will be effected at a cost of $17,773,733 due to the discounted price of pounds sterling. More than $14 millions is in Canadian bonds and the remainder in British.

The premier said also legislation would be introduced to allow the province to lend municipalities an aggregate amount of $5 millions at 2% interest for approved self-liquidating municipal development projects.

He stated more reserves of natural gas have been uncovered in the oil search and reiterated the Government's policy that present and future needs of Albertans will be served before export is permitted, and that other Canadians will be second in line to access to the province's gas.

Treasury branch estimates are up $90,000 to $1,079,000. The revenue from the branches is expected to exceed estimated expenditures by approximately $117,000. Plans for four more branches this year were announced.

Manning's budget contained no tax reductions. He pointed out, however, that without natural resources revenue, principally oil, capital expenditures would have had to come from additional taxes.

$61 Millions In U. S. Bonds

Manning observed that over $61 millions is held in U. S. bonds, callable at the option of the holders. He said that with U. S. currency at a premium it would not be economical to refund this and added that efforts are under way to refund the issues at a lower rate of interest.

The debt retirement is made possible from accumulated surpluses, he said.

Major expenditure of the province is $30,595,893 estimated for the department of public works. This figure includes capital and income accounts. For the previous year the figure was only slightly more than $22 millions. Estimate for main highway construction, capital and income account, is $13,705,000, a $3 millions increase over last year.

On income account, education department expenditure is estimated at $11,220,770, increase of $988,028.

Old age pensions will be increased $2.50 a month to $50.

Liquor profits are estimated to amount to $10.3 millions, an increase of $800,000.

Fuel oil tax revenue shows an increase of $1.7 million, while automobile owners' certificates will produce an additional $300,000 based on receipts for the fiscal year. Total of about $12,214,000 is expected from fuel oil tax, registrations and car licenses. Highway Traffic Board expects $3,071,175 from owners of trucks, buses and taxis, an increase of $546,000 over last year.

The Government proposes to establish a revolving fund from which school districts can obtain up to 25% of their approved capital borrowings. The money obtained will be interest-free and can be repaid in equal payments over a 10-year period. The plan proposes that on the payment of each annual installment, 50% of the amount due will be written off.

Bell 'Phone Surplus Seen Too Low At $7.7 Millions

The total remaining surplus of Bell Telephone Co. of Canada at the end of 1949, after 70 years of operation, amounted to only $7.7 millions equivalent to $1.21 for each share of stock outstanding, President Frederick Johnson told shareholders at the recent annual meeting. Monthly deficits after dividends continue to amount to about $500,000, he added.

"This is a situation which must be viewed with some concern," Mr. Johnson declared. "We have the obligation to provide telephone service of the highest quality and dependability to all who demand it. This can only be achieved if the company is able to maintain its credit and retain the confidence of those who invest their savings in its security."

That the financial good health of the company was of vital interest to great numbers of people was illustrated when Mr. Johnson pointed out that there were close to 1,250,000 individual customers in Ontario and Quebec—many of whom are served by party lines and should receive individual line service; that there are many thousands of others with no telephones who have applied for service; that there are over 62,000 shareholders, of which 97% are in Canada and 90% residents of Ontario and Quebec; and that there are 28,000 employees, who have invested their careers in the business and nearly 10,000 of whom have also invested savings in company shares.

The company ended 1949 with 88,000 unfilled orders for service and were also holding 108,000 requests from subscribers for higher grades of service. To cope with these demands, the program of plant expansion must be continued, Mr. Johnson stated. Plans called for gross construction expenditures during the next three years of $250 millions.

During the last four years Bell Telephone has had to double its capital obligations by selling share capital and mortgage bonds to an aggregate amount of about $178 millions.

"Our expansion program for the next three years will necessitate the addition of a further $141 millions of new capital. Experience has demonstrated that sums of even this magnitude can be attracted to business, on favorable terms, by the prospect of a regular reasonable return, but — a regular reasonable return can be expected only if our earnings are adequate," Mr. Johnson stated.

That Bell Telephone found it necessary to draw upon surplus to meet dividends in 1949 during a period of high business activity and almost unparalleled national prosperity was attributed to the fact that revenues based on prewar prices were inadequate to meet the level of postwar expenses.

Bell's accounts first showed a revenue deficiency in December, 1948. "While we were convinced that they would continue to do so in the months that followed, we were not in a position to apply to the Board for higher rates until our estimates of the need for them had been verified by the experience of several months. We were also confronted with uncertainty as to the future level of employees' wage rates which had still to be negotiated. The contracts with the associations representing most of our employees expired in May of 1949, and the effect of new wage rates and conditions associated with new labor contracts could not be ascertained until such contracts had been executed.

"With these hitherto uncertain and all important factors clarified, revenue studies were completed and an application for approval of new tariffs of rates for service was filed with the Board of Transport Commissioners on Oct. 14, 1949. The new tariffs are designed to produce revenues which our studies show are actually required, and also to distribute the charges fairly among the various classes of customers."

The Board has set March 8 for the opening of the hearing on Bell's rates and has indicated that it will be proceeded with expeditiously.

"Opposition to our application for higher rates is to be expected," Mr. Johnson said, "because nobody wishes to pay higher prices for anything, any more than we want to be in the position of having to ask for them. This company, however, and the service it supplies are not immune from those economic conditions which have operated to increase the prices of all goods and services. We are quite confident that the hearings before the Board will show that the rates we have requested and our need for them are reasonable and just."

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TENDERS INVITED

Sealed tenders are invited for the purchase of Serial Debentures of School District No. 23 (Kelowna) of the par value of $148,000.00, issued for construction and furnishing of schools, under By-Law No. 2, being "School District No. 23 (Kelowna) Rural Portion School Loan By-Law No. 2" 1949.

Tenders will be opened by the Board of School Trustees of School District No. 23 (Kelowna) at the regular meeting of the Board to be held on Wednesday, March 22nd, 1950 at 8:00 P.M.

Tenders should be addressed to the undersigned and should be in our hands not later than 5:00 P.M. on the day aforesaid.

The price to be quoted in Kelowna funds, delivery to be taken at Victoria, B.C.

The highest or any tender not necessarily accepted.

Copy of the said By-Law No. 2 will be forwarded on request.

Particulars of Debentures

Date of Debentures 15th December, 1949.

Denominations $1,000.00 each.

Interest Rate Three and one half per centum (3½%) per annum, payable semi-annually on the 15th day of June and the 15th day of December during currency of the debentures, by way of coupons attached.

Principal and Interest Payable in lawful money of Canada, to bearer, at the offices of The Royal Bank of Canada at Kelowna, Vancouver, Winnipeg, Toronto and Montreal, Canada, at the option of the holder.

The said By-Law No. 2 has been Certified by the Superintendent of Education at Victoria, B.C., under the provisions of the "Public Schools Act" and its validity is not open to be questioned on any grounds whatever in any of the Courts of British Columbia. Each debenture is similarly Certified.

The debentures are of the following maturities:

Year	1950–51	$3,000.00
"	1952–53	4,000.00
"	1954–59	5,000.00
"	1960	8,000.00
"	1961–63	9,000.00
"	1964	10,000.00
"	1965–66	11,000.00
"	1967–68	12,000.00
"	1969	13,000.00

E. W. BARTON, Secretary-Treasurer,
School District No. 23 (Kelowna),
1766 Richter Street,
Kelowna, B.C.

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CANADIAN CELANESE LIMITED

ANNUAL REPORT 1949

DIRECTORS' REPORT

To the Shareholders of Canadian Celanese Limited:

We take pleasure in presenting herewith the Annual Report of your Company for the year 1949.

The accompanying Balance Sheet and the related Statements of Income and Expenditure and Earned Surplus have been prepared on a comparative basis showing the position at December 31, 1949 and December 31, 1948, and the result of operations for the years 1949 and 1948. Also included are Statements of Special Surplus and Special Reserve as at December 31, 1949.

Net Profit for the year 1949 amounted to $6,178,343.12 compared with $5,283,809.57 for the year 1948.

Dominion, Provincial and Municipal taxes, paid or provided for and charged against income for 1949, amounted to $4,459,896.28.

Expansion and improvement of the facilities at the Drummondville and Sorel plants continued during 1949. Total expenditures for plant and equipment during 1949 amounted to $4,029,162.78 compared with $3,205,230.49 during 1948.

As of July 1, 1949, the Company inaugurated a Retirement Income Plan for its employees. The cost of future service benefits under the Plan is borne partly by the employees and partly by the Company but the cost of past service benefits for those eligible is payable in its entirety by the Company. For the year 1949 the Company paid into the Trust Fund established under the Plan a total amount of $587,737.00 of which $246,731.00 was the first of ten instalments on account of past service benefits.

Dividends paid during 1949 amounted to $2,724,535.80 of which $1,924,535.80 was paid to Common Shareholders.

For the Board of Directors,
CAMILLE DREYFUS,
President.

February 21, 1950.

Comparative Balance Sheet as at December 31, 1949 and December 31, 1948

ASSETS	1949	1948
Current:		
Cash on Hand and in Banks	$ 2,044,498.96	$ 3,943,397.07
Government Bonds and Other Securities, at cost (approximate market value 1949, $9,597,000.00; 1948 $6,417,000.00)	8,359,100.00	5,393,600.00
Trade Debtors, less Reserve	2,542,472.51	1,989,740.01
Other Accounts Receivable and Accrued Interest	42,450.57	57,894.10
Refundable portion of the Excess Profits Tax for 1944, receivable in 1950; for 1943 received in 1949	367,363.77	430,515.11
Inventories of Raw Materials, Supplies, Work in Process and Finished Goods, as determined and certified by the Management and valued at cost or market, whichever was the lower	5,059,360.83	4,385,386.89
	18,415,246.64	16,200,533.18
Deferred and Prepaid Charges:		
Unexpired Insurance and Taxes and other prepaid expenses	337,038.13	295,048.93
Debenture discount, premium and expenses, less amount amortized	353,908.54	389,257.30
	690,946.67	684,306.23
Securities held for Investment, valued at cost	108,185.63	108,185.63
Refundable portion of Excess Profits Tax, not due within 12 months	368,295.93	735,659.70
Fixed:		
Real Estate, Plant, Machinery and Equipment, at cost	29,334,658.20	25,330,422.39
Patents and Trade Marks	1,064,258.43	1,059,810.36
	$49,981,591.50	$44,118,917.49

LIABILITIES	1949	1948
Current:		
Accounts Payable and Accrued Liabilities	$ 1,508,092.84	$ 749,581.65
Dominion, Provincial and Municipal Taxes	2,093,698.77	1,764,209.39
Accrued Interest on Debentures	67,298.63	69,567.12
Instalment of 2¼% Debentures payable within 3 months	400,000.00	400,000.00
	4,069,090.24	2,983,358.16
Debentures Authorized and Issued:		
2¼% Serial Debentures maturing $400,000.00 annually April 1, 1948 to 1952	2,000,000.00	2,000,000.00
Less: Instalments paid or payable within 3 months	1,200,000.00	800,000.00
	800,000.00	1,200,000.00
3% Debentures, due April 1, 1962	8,000,000.00	8,000,000.00
	8,800,000.00	9,200,000.00
Reserves:		
For Depreciation of Buildings, Machinery and Equipment	9,998,747.54	8,285,279.44
For Amortization of Patents	927,988.54	868,322.03
Special Reserve	250,000.00	300,000.00
	11,176,736.08	9,453,601.47
Capital Stock:		
Authorized—		
600,000 Preferred Shares, par value $25.00 per share		
3,000,000 Common Shares, without par value		
Issued and Outstanding—		
400,000 Preferred Shares, $1.75 Series (cumulative, redeemable)	10,000,000.00	10,000,000.00
100,000, Preferred Shares, $1.00 Series (cumulative, redeemable)	2,500,000.00	2,500,000.00
1,241,636 Common Shares	1,219,045.00	1,219,045.00
Surplus Accounts:		
Distributable Surplus, set aside in 1936 in accordance with the provisions of subsection 7 of Section 12 of the Companies Act, 1934	62,500.00	62,500.00
Special Surplus, being the refundable portion of the Excess Profits Tax not due within 12 months, per Statement attached	368,295.93	735,659.70
Earned Surplus, per Statement attached	11,785,924.25	7,964,753.16
	$49,981,591.50	$44,118,917.49

Approved on behalf of the Board:
P. A. Thomson, Director.
Arthur Meighen, Director.

Submitted with our Report dated February 17, 1950.
P. S. Ross & Sons,
Montreal, Que. Chartered Accountants.

Comparative Statement of Income and Expenditure for the two years ended December 31, 1949

	Year ended December 31 1949	1948
Net Operating Income before taking up the items below	$12,601,925.19	$ 9,742,761.99
Income from Investments	237,868.99	216,047.02
	12,839,794.18	9,958,809.01
Deduct:		
Loss on Government Bonds redeemed	15,000.00	—
	12,824,794.18	9,958,809.01
Remuneration of Executive Officers and Directors required to be shown separately under Section 113 (2) of The Companies Act	150,123.21	129,620.59
Fees of Directors not included above	12,120.00	12,021.54
Legal Fees	9,835.00	18,902.26
Depreciation of Plant, Machinery and Equipment	1,738,395.07	1,040,641.92
Amortization of Patents	9,666.51	10,232.87
Interest on Debentures	269,231.51	278,231.50
Amortization of Debenture discount, premium and expenses	35,348.76	35,348.76
Retirement Income Plan—portion of Past Service cost	246,731.00	—
Provision for Income Taxes	4,175,000.00	3,150,000.00
	6,646,451.06	4,674,999.44
Net Profit for year transferred to Comparative Statement of Earned Surplus	$ 6,178,343.12	$ 5,283,809.57

Comparative Statement of Earned Surplus for the two years ended December 31, 1949

	Year ended December 31 1949	1948
Earned Surplus at beginning of year	$ 7,964,753.16	$ 4,247,621.66
Deduct:		
Expenses incurred in connection with the subdivision of each Common Share into 4 such shares	—	13,357.18
	7,964,753.16	4,234,264.48
Add:		
Prior year adjustments— Inventory Reserve, less Excess Profits Tax thereon	—	57,800.00
Amount transferred from Special Surplus Account, being the refundable portion of the Excess Profits Tax due within 12 months	367,363.77	430,515.11
Net Profit for year transferred from Comparative Statement of Income and Expenditure	6,178,343.12	5,283,809.57
	6,545,706.89	5,772,124.68
	$14,510,460.05	$10,006,389.16
Deduct:		
Dividends Paid:		
Preferred Shares—		
$1.75 Series	700,000.00	700,000.00
$1.00 Series	100,000.00	100,000.00
Common Shares— $1.55 per share in 1949 and $1.00 per share in 1948	1,924,535.80	1,241,636.00
	2,724,535.80	2,041,636.00
Earned Surplus at end of year	$11,785,924.25	$ 7,964,753.16

Statement of Special Surplus (Refundable Portion of the Excess Profits Tax) as at December 31, 1949

Balance at credit January 1, 1949, being the refundable portion of the Excess Profits Tax for the years 1944 and 1945	$735,659.70
Deduct:	
Amount transferred to Earned Surplus Account, being the refundable portion of the Excess Profits Tax for 1944, receivable in 1950	367,363.77
Balance at credit December 31, 1949, being the refundable portion of the Excess Profits Tax for the year 1945	$368,295.93

Statement of Special Reserve as at December 31, 1949

Balance at credit January 1, 1949	$300,000.00
Deduct:	
Amount transferred to Reserve for Amortization of Patents	50,000.00
Balance at credit December 31, 1949	$250,000.00

AUDITORS' REPORT TO THE SHAREHOLDERS

Canadian Celanese Limited,
Montreal.

We have examined the accompanying Balance Sheet of Canadian Celanese Limited as at December 31, 1949 and the related Statements of Income and Expenditure and Earned Surplus for the year ended on that date. In connection therewith we have examined or tested accounting records of the Company and other supporting evidence and have obtained all the information and explanations we have required.

In our opinion, the accompanying Balance Sheet and related Statements of Income and Expenditure and Earned Surplus are properly drawn up so as to exhibit a true and correct view of the financial position of the Company as at December 31, 1949 and the result of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. Ross & Sons
February 17, 1950. Chartered Accountants.

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is attested by its convincing growth

NEW HEIGHTS GAINED IN 1949

Business In Force— (in addition to annuities)	$24,349,491	Increased 10.05%
Assets	$ 5,097,684	Increased 8.37%
Policy Reserves	$ 4,014,736	Increased 9.47%
Policy Surplus	$ 141,980	Increased 31.00%

Continuous Increase in Business

1940	$10,413,041
1943	$13,356,407
1946	$19,032,661
1949	$24,349,491

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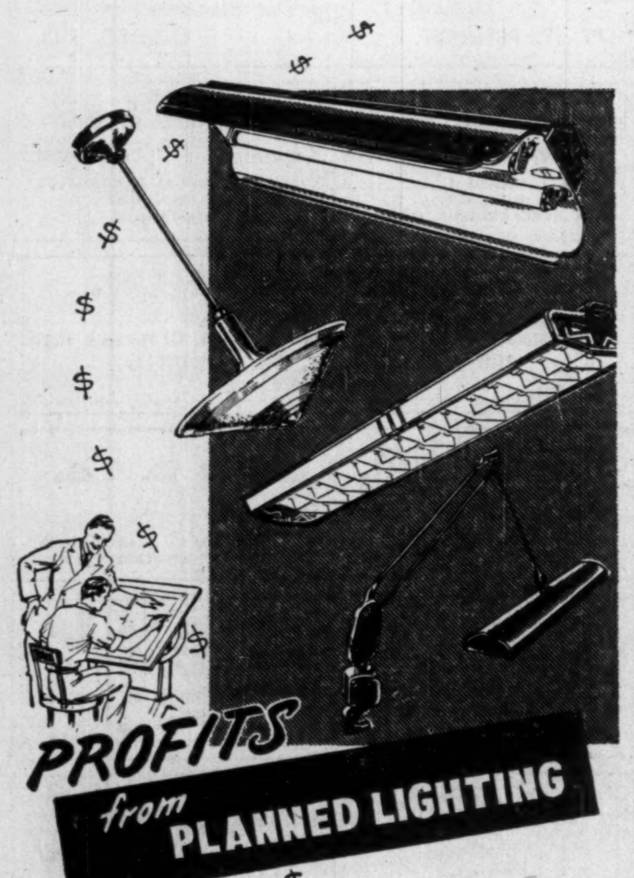

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TORONTO AND MONTREAL

LONDON CALLING—By Adelphi

Socialists Survive First Test; Can They Hold Till Recess?

LONDON—Well, the first round is over and the Socialist Government is still in the ring. The House was packed to the chandeliers as Eden and Attlee wound up the first censure debate — the Conservative amendment to the Throne Speech on the failure of the Government to postpone nationalization of iron and steel.

The Liberal Party, now known as the "Nimble Nine" (although they may become the "Naughty Nine") soon found themselves in a pretty fix. On Tuesday their unctuous leader, Clement Davies, deplored the amendment as trickery on Churchill's part and announced that the Liberals would not support the Conservatives.

* * *

Churchill Presents Telling Argument

Perhaps I should explain that the Nationalization of Steel Bill was carried in all its stages in the last Parliament and is therefore now on the Statute Book. However, the Socialists, in persuading the House of Lords to agree to the curtailment of their delaying powers from two years to one, agreed that they would not implement the act until the Government had gone to the country.

Churchill's case was based on two points:

1. The Government had acknowledged the election result as a vote against further nationalization as shown by the Throne Speech.

2. Why, then, should the Government carry out nationalization of steel merely because it is on the Statute Book, especially in view of the promise to the Lords to submit the issue to the electorate?

To which Mr. Attlee replied: "In 1945 we consulted the electorate about nationalizing steel and again in the election of last month. Does Mr. Churchill really want us to consult them a third time?"

At any rate the Socialists breathed a sigh of relief when they learned from Clem Davies' lips that the Nimble Nine would not vote with the wicked Tories.

* * *

About-Face By The Liberals

However, the Liberals went into a huddle and told their leader that he had put them in a jam. It seems that on every election platform the Liberals had declared themselves against the steel bill and had voted against it in all stages in the last Parliament.

So on Wednesday the Liberal Party, announced after all that it would go into the Lobby with the Conservatives. Like Humpty Dumpty Mr. Davies had a great fall. The laughter of the Commons was not sweet music to his ears.

Needless to say the Socialists were worried. Unhappily the vote was timed for 10 o'clock on Thursday night and, therefore, clashed with the official gala performance of ballet at Covent Garden in honor of the French President. So the House of Commons was splattered with Ministers and ex-ministers in full regalia and covered with decorations, sitting mutely in their places while the ballet went on without them.

* * *

Dragged From Hospital For Vital Division

In the meantime the Whips were routing out the casualties. A couple of Socialists were too ill to come but a third was dragged from hospital. Six Tories were ill, but Lord Hope gallantly rose from a sick bed and, with an astronomical temperature, staggered into the Chamber and voted.

When the four tellers marched to the table to announce the result there was a terrific cheer from the Socialists for it was seen that the Government tellers were on the right, which meant that they had won.

It was a good victory, a majority of 14 against the combined Liberals and Conservatives. The Socialists looked happy for the first time since the cold douche of the election.

But hardly had the shouting and the tumult died when word came that in the first by-election, a Manchester seat, the Tory had won by a big majority, with the Socialist second, and one more lost deposit for the Liberals.

In spite of victory in the vote-of-censure debate, the Government had a very bad week. The Throne Speech itself was a hodge-podge of nothing.

* * *

Chief and White Wife Pose Tricky Problem

As you know Lord Beaverbrook's Evening Standard rocked the Government by attacking the appointment of ex-Communist or neo-Communist John Strachey to the War Office. Then to head off another vote of censure by the Tories the Government hurriedly did away with industrial conscription although they had said it was impossible.

Then came the very human and very perplexing case of the young African ruler-designate Seretse who had married an English typist, now with the tribe and about to have a baby. The Government invited Seretse to come to London and talk it over, and after prolonged conversations told him that he could not go back to his own territory for five years.

It is easy enough for the Tories to hammer the Government on this issue, and for sentimentalists to declare that love is the only law, but black is black and white is white even if the twain meets more often than is convenient to the authorities.

A shrewd politician once said that racial equality is a policy advocated by nations that have no color problem. The unfortunate British Secretary of State for Commonwealth Relations has to face the realities of a mixed marriage and all its political implications.

Government Has One More Week To Go

However, the Government has only to get over its second week and will then have a clear run on Supplementary Estimates, culminating in the Budget. My guess is that the Socialists will survive until they are saved by the gong—the summer recess. But an election in the autumn looks a certainty.

* * *

It has been a gala week here with London decked out in flowers and flags and with floodlighting everywhere in honor of the French President and his charming wife. As usual the program arranged has been too heavy, and the Auriols must nearly be in the last stages of exhaustion.

But the London crowds have enjoyed themselves as only London crowds can. In fact a visitor from Mars, or even from Chicago, would be excused for thinking that Britain is country without a care.

Bond Yields Off Slightly

The 40-bond yield average as compiled by McLeod, Young, Weir & Co., on basis of bond prices as at March 2, 1950, was 3.35%, a decrease of 0.02% from the composite average of 3.37% reported Jan. 31, 1950.

Current bond yield average compares with 3.44% six months ago at end of Aug., 1949 and 3.43% a year ago at end of Feb., 1949. Here is the performance of the yield average for each of the four separate groups of bond issues comprising the average.

	Feb. 28 1949	Jan. 1 1950	Mar. 2 1950
10 Municipals	3.53	3.51	3.53
10 Provincials	3.18	3.15	3.07
10 Utilities	3.44	3.30	3.31
10 Industrials	3.56	3.52	3.51
40 Bond average	3.43	3.37	3.35
Average maturity	16† 5*	15† 9*	15† 8*
Dom. 3%, 1961/66	2.94	2.75	2.72

†Years. *Months.

Note—Yields on Dominion and Provincial issues selling at a premium are calculated to the call dates.

Building Prod. Sales Continue Equal to 1949

MONTREAL (Staff) — Sales of Building Products Ltd. for the first two months of 1950 are running at about the same rate as last year, President and Managing Director L. S. Odell told shareholders at the annual meeting last week.

In Eastern Canada, building has had the benefit of an unusually mild winter to date but resultant sales have been offset by the very severe weather in Western Canada, he said.

If the building activity continues at the rate presently indicated, 1950 should be another good year, he stated.

In 1949 constructon contracts awarded in Canada, for houses only, exceeded 1948 by 15% in money value. This trend has continued through to January this year and will be supported in the current year by Federal and provincial government commitments in the low cost housing field where demand is now the greatest, Mr. Odell stated.

Building material prices remain close to all time record highs, and the Residential Building Materials Index compiled by Maclean Building Reports Ltd. now stands at 226 (1935-39 = 100). By comparison, company's products are now selling at an average of only 30% over 1939 prices, he said.

There is a tendency toward higher manufacturing costs this year over last, due to continuing effects of Canadian dollar devaluation, upward pressure on wage rates, and higher freight rates. Offsetting factor is the continuing program of plant alterations and improvements designed to reduce operating costs.

In 1949 Building Products Ltd. had a net profit of $1,612,[illegible]78, equivalent to earnings of $3.34 per common share.

Public Utility Earnings

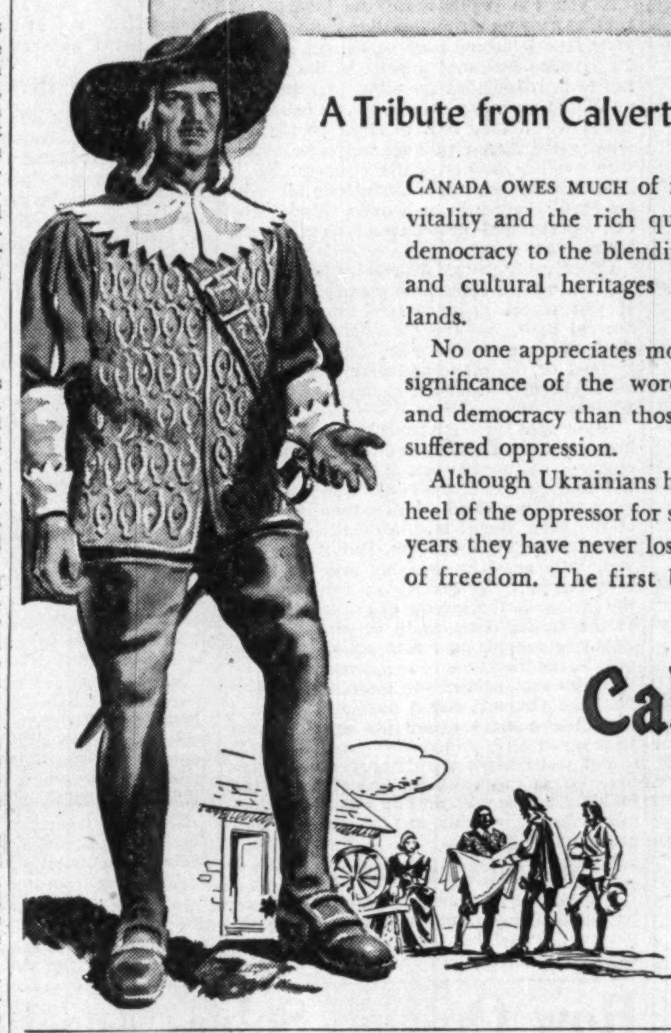
MEXICAN LIGHT & POWER CO. LTD.

November:	1949	1948
Gross earns	$1,636,496	$1,555,861
Oper. exps	1,598,599	1,395,047
Accr. int. & s.f. chgs.	171,000	185,000
Deficit	133,103	24,186
Ten Mos. to Oct. 31:	$	$
Gross earns.	17,551,878	18,584,649
Oper. exps.	16,410,014	17,359,087
Accr. int. & s.f. chgs.	1,931,000	2,035,000
Deficit	789,136	809,438

Above figures are subject to final adjustment when annual accounts made up.

BROKERS' LOANS: Collateral borrowing by member firms of the Montreal Stock Exchange and Montreal Curb market at end of February totaled $19,788,354 compared with $18,019,953 at end of January and with $19,521,706 at end of February a year ago.

The Canadian Family owes much to . . . Ukraine



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Your Personal Income Tax

What Makes Up Investment Income?

Watch Deductions For Depreciation, Dividends, Rentals

by D. G. MACLEAN

In your personal income tax, you pay a surtax on investment income. What makes up this income? What deductions and allowances should you watch for? The Financial Post presents another in its series discussing the Income Tax Act and clarifying points of interest to taxpayers.

If you have investment income exceeding either $2,400, or the total of your personal exemptions, whichever is the larger, you must pay a surtax of 4% on the excess. Investment income is defined in the Income Tax Act. (Section 31 [4]) as the income for the taxation year minus:

The earned income for the year and the aggregate deductible as charitable gifts, excessive medical expenses, and the $500 deduction allowed a blind person or a person confined to a wheel chair or bed.

Investment income includes:

Rental income, less taxes, repairs, insurance, capital loss allowance, interest on foreign money.

Dividends, whether cash or stock, plus a premium on exchange, if any, and less carrying charges and depletion allowance, if any.

Bond interest, plus exchange premiums, if any, and minus carrying charges.

Amounts accrued from estates, trusts, etc., whether actually received or not.

Interest portion of annuity payments.

Interest from mortgages, notes, bank deposits, alimony.

Other income such as royalties, etc.

Rental Income

If you are regularly in the business of renting housing accommodation and services, your rental income may be earned income. The section for rental income in the income tax form is intended for other persons, such as those who may own one or two houses or stores which they rent to other people and who regard these rental operations as investments rather than a regular business.

In this section, you must include all rents received whether in cash or in "kind." You can report rental income on a cash or accrual basis.

Conceivably you might receive in one year rent owing as arrears from the previous year. If you report your rental income on the accrual basis, you can then deduct any bad debt. You must, however, adhere to one method or the other and may change only with authority from the income tax department.

If you rent three rooms or less in your own home, you should show one-third of the rent received as income; two-thirds are deductible as expenses. If the house is managed by your wife or a blood relation, then one-third of the gross rental is considered income of the manager of the home. But if you and your wife are both working and the home is managed by a relative or hired person, the income is the income of the legal owner of the house. Then, again, if you and your wife are tenants and rent rooms to other people, the income is your income.

If you rent part of the building in which you live yourself, say a duplex, apartment house or a store under the apartment in which you live, you deduct from the total rental you receive the proportion of carrying charges applicable to the portion of the building that is rented. You can also deduct proportionate capital cost allowance, (depreciation).

Capital Cost Allowance

Capital cost allowance or depreciation may be claimed on buildings you rent to other people. For the 1949 taxation year only, you can claim depreciation on the same basis as used under the law and custom in 1948, at rates ranging from 2% on reinforced concrete or transite to 2½% on brick, stone, brick veneer, or stucco on brick or cement; 5% on frame, stucco on frame or galvanized iron; the rates being applicable to the original cost.

Under the new system optional in 1949 (the other alternative being outlined in the previous paragraph) you write off depreciation, at new rates set, on the cost of the asset to the owner less depreciation taken up to Jan. 1, 1949.

You can deduct general expenses incurred such as agent's commission in collecting rentals, negotiating leases, etc.; janitor's wages, fuel, light, gas, water supplied by the landlord, also cleaning supplies; interest on money borrowed to finance the purchase of the property; real estate and business taxes and all taxes paid in earning the rental income; fire, rent and public liability insurance; cost of appraisals, reasonable repairs.

Dividends

Dividends paid in cash or stock are normally taxable. Among the exceptions are: those received from personal corporations (the tax is presumed to have been paid previous to the corporation paying the dividend); special dividends paid from a private corporation, representing distribution of the accumulated earned surplus at the end of 1939, providing the special tax levied in such cases has been paid.

The value of stock dividends is usually determined by the income tax department. Dividends from mineral-producing companies may be reduced by a new sliding scale of depletion allowances, varying according to the proportion of the mineral profits to the total income received as follows:

10% when mineral profits are over 25% but less than 50% of total income;

15% when profits are over 50% but less than 75% of the total;

20% when profits are not less than 75% of the total.

When dividends are received from corporations not operating in Canada, if mineral profits are 50% or more of the total income, 15% depletion is allowed.

Mineral profits include profits from precious and base metal mines, oil and gas wells and industrial mineral mines. Royalties from mineral profits paid to a holding company and then to individual holders of royalties are subject to a depletion allowance of 20%.

Dividends from non-taxable Canadian and foreign corporations should be listed separately from taxable Canadian corporation dividends as indicated on the return.

In the case of non-Canadian corporation dividends, you report the gross dividend received, including any deductions at the source. Then after you have totaled your tax you may deduct income taxes paid or deducted abroad or an amount calculated on a proportionate basis.

Redeemed at Premium

If any of your stocks are redeemed at a premium over par, the premium is considered taxable income. But if you sell your shares at a premium before redemption, the profit is not considered taxable income.

A deduction from your total tax of 10% of the dividends (common and preferred) received from taxable Canadian corporations is allowed, provided the deduction does not reduce your tax below what it would have been if you had not received the dividend. This reduction also applies to dividends from taxable Canadian companies which you may receive through a trust or estate.

If your stocks are not fully paid for (bought on margin for example), you can deduct the carrying charges for interest.

Bond interest is taxable income and here you must list your Canadian bonds separately from non-Canadian ones also. Premiums paid on bonds redeemed or called is not taxable income under the new act. This reverses the procedure followed in previous years.

Annuities

Canadian Govt. and like annuities entered into before May 26, 1932, are exempt up to $5,000; those entered into between May 26, 1932, and June 25, 1940, are wholly exempt up to $1,200. Annuities entered into after June 25, 1940 up to 1945 are wholly taxable while all other annuities are taxable from 1945 only on the interest part of each payment. Annuity payments are usually made up of so much principal and accrued interest and in the cases mentioned it is the accrued interest only that is taxable. You should get a statement from the government or corporation paying the annuity showing how much of the yearly payment is interest.

Annual or periodic payments received under a will or trust are also taxable only to the extent that they are paid out of income.

Alimony payments are taxable income in the hands of the recipient.

Proceeds of life insurance policies are not income nor are policy dividends, except in the case of endowment policies which have matured. In such cases, policy dividends are considered investment income and taxable as such, whether received in cash or left with the company.

Legacies

Legacies left from the capital of an estate are not taxable but if paid from the income of the estate they are taxable as investment income.

In the income tax form you thus list your investment income under the different headings making such deductions as you are entitled to, totaling the income from investments less deductions and allowances, which is then carried over to page 2. You then work out your income tax payable on the total income and then from the investment income you deduct any alimony paid, deductible medical expenses, charitable donations, and either $2,400 or your total personal exemptions, whichever is the greater. When you deduct the sum of these four items from your total investment income, you then pay surtax of 4% on the remainder.

How Ontario Solves Teacher Demand May Pattern the Way for All Canada

Ontario will be a testing ground for two methods of tackling Canada's teacher supply problem—a form of postwar shortage which is going to get a lot worse before it's any better.

The two methods are opposite, and there is already heated debate about which course should be chosen:

1. You can provide more incentives in the teaching field. This means more pay and greater recognition as a profession. It's the approach taken by the two LaZerte reports to the Canadian Education Association (The Post, Oct. 2, 1948, and Sept. 17, 1949), and it now appears to be backed by most teacher organizations across Canada.

2. You can declare an emergency; make it easier for people to get into teaching by lowering admission qualifications and providing financial assistance to trainees. In Ontario this "let's-be realistic" approach was recommended recently by a Royal Commission on Education headed by Mr. Justice J. A. Hope. It has drawn fire from teacher organizations not only in Ontario but from other provinces as well.

Ontario's choice will have more than provincial significance. Whether or not other provinces follow her lead, the decision in Canada's largest province will affect the teacher's status.

First of all, how great is the emergency which the Hope Commission wants to face "realistically?"

Because there is an interval of at least six years between a child's birth and the time he is presented for Grade 1 enrollment, the commission declares that the school load we have experienced so far is "but the beginning."

In the case of six-year-old children, greatest increases in enrolment are to be expected in the school years 1952-53 and 1953-54; in the case of seven-year-olds, it will be 1953-54 and 1954-55; eight-year-olds, 1954-55 and 1955-56.

Working on the basis of the number of live births registered in the province (but not including such factors as immigration, and probable increases in kindergartens, kindergarten - primary classes, and junior classes), the Commission presents the following table of additional Ontario need:

School Year:		Annual Incr. in Total Enrolment in Grades I to VIII	Annual Incr. in No. of Teachers Required for Grades I to VIII
1950-51	....	13,500	450
1951-52	....	19,400	645
1952-53	....	27,600	920
1953-54	....	31,800	1,060
1954-55	....	30,900	1,030
1955-56	....	29,000	965
1956-57	....	26,800	895
1957-58	....	23,600	785

The Hope Commission regards these forecasts as "startling," and explains:

"Within the next 10 years, enrolment in grade 1 to 8 may increase by approximately 250,000. As a consequence, approximately 8,000 additional teachers must be trained during these years; and, unhappily, we are faced with this problem at a time when 1,100 persons in charge of classrooms in our elementary schools do not possess prescribed teaching certificates valid for such positions."

What it recommends to meet the situation is "an enlargement of the source of supply from which candidates may be selected."

It says this can be accomplished by discontinuing the present system of training elementary school teachers, and setting up an "Emergency Teacher Training Scheme."

Length of training would be one school year. Present qualifications for admission to teacher training (since 1948, standing in five Upper School papers, one of which is English Literature or English Composition, has been required) would be scrapped. Instead, selection committees would be appointed by the Minister of Education to interview and evaluate the qualifications of candidates. If the candidates meet prescribed standards of health, character, and citizenship, the selection committees may admit them even though their formal education is below that now required.

The new rule would be that candidates must hold at least prescribed grades 11 and 12 (Middle School) standing. In the case of those who have had successful experience in employment elsewhere, the education achievement must be judged to be "equivalent."

Controversial Issues

Most controversial of the Hope recommendations is the provision whereby those trained under the Emergency Scheme can become permanent members of the teaching profession. What would be required is "two years' successful teaching experience as certified by an inspector or inspectors."

It is here that the Hope Commission's recommendations differ most from existing procedure. Already there are people in teaching positions in the province whose formal education fall short of requirements, but they are employed under year-to-year "permits" from the Department of Education. Presumably if these permits were withdrawn at any future time, the holders would have either to get up to scratch — through summer school, for example—or get out. Opponents of the new scheme say there would be less incentive to continue education after employment.

Under the Hope proposals, teachers-in-training could get financial assistance from the Department of Education. If these have a dependent spouse, child, or children, further assistance could be granted in the form of family allowances. Whether such assistance should be repaid, in whole or part, is a question which would be given "consideration."

"If such money is available," the Federation says, "it might be better spent in improving conditions within the profession which tend to deter people from entering it."

Would End Summer Sessions

Other recommendations of the Hope Commission are more administrative in nature. They indicate which classes of trainees under the Emergency Scheme would be entitled to Interim First Class certificates and which would get Interim Second Class certificates; ask for additional instructors and equipment for teacher training schools; and suggests that the Minister of Education designate attendance zones for each training school. Summer sessions at the Normal Schools would be discontinued after 1951.

The forecast increase in enrolment, the Commission report says, will not be confined to any one type of community, nor to any one section of the province. It points out that it cannot predict, for each local situation, the areas where a greater number of children can be accommodated in existing classrooms; the other areas where a building program and an increase in staff will be necessary.

To get this local picture, it asks the Department of Education to secure the data through public and separate school boards and inspectors. Each locality would be asked to estimate for each of the school years 1950-51, 1951-52, and 1952-53:

1. The number of elementary school pupils who may be enrolled.

2. The number of elementary school teachers whose services may be required.

3. The number of existing elementary school classrooms which should be replaced.

4. The number of additional elementary school classrooms which may be required.

In due course, the predicted increases in elementary enrolment will be felt at the secondary school level. The Hope Commission will deal with problems at that stage of education in its final report.

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Taxation Is Issue In $25 Millions Edmonton Plan

From Our Own Correspondent

EDMONTON — City Council here agreed that a proposed $25 millions city centre building scheme would be desirable for Edmonton, but aldermen showed considerable skepticism and some opposition about the scheme proposed by L. Y. Detwiler, managing consultant for the First New Amsterdam Corp. of New York

However, council passed a resolution calling for a charter amendment at the current session of the Alberta Legislature that would allow the city to make tax concessions or adjustments in methods of collecting taxes or charges upon the property.

The scheme as outlined by Detwiler calls for the city giving his interests a 99-year lease on the project, and the city making 25% of net profits in lieu of taxes.

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ABOUT YOUR TAXES By STUART THOM, LL.B.

More Harmony Seen Now In Bankruptcy, Tax Acts

The decision of the British Columbia Court of Appeal in the case of The King vs. Canadian Credit Men's Trust Association (reported (1949) 2 W.W.R. 861) brought out a sad lack of co-ordination between the Bankruptcy Act and the Income War Tax Act. As each of them has just had a major overhaul, it is interesting to consider to what extent they have been adjusted to one another.

The facts of the case were that a bankrupt, a limited company, had made a proposal for an agreement with its creditors. The proposal contemplated payment of preferred and secured creditors and fifty cents on the dollar to ordinary creditors, the latter feature backed by a guarantee. The judgments do not make it clear whether the amount of, or even the existence of a claim by the Department of National Revenue was known when the proposal was made but, in any event, there was apparently no provision for the payment of income tax. The proposal was approved by the Court upon notice to all creditors including the Department, which did not appear, and the guarantor paid to the trustee the amount required for the ordinary creditors.

Revenue Dept's Claim

At this point the Revenue Department stepped in with large assessments against the bankrupt and announced that the Minister would not issue his certificate under section 51 of the IWTA until these assessments were paid.

Section 51 reads in part—"Every trustee in bankruptcy—before distributing any assets under his control shall obtain a certificate from the Minister certifying that no unpaid assessment of income tax — remains outstanding."

The trustee applied to a Bankruptcy Judge for directions and an order was made that it was "entitled to and had a duty to distribute forthwith among the ordinary creditors — the money received — notwithstanding the fact that the Minister of National Revenue of Canada has declined to issue the certificate" above referred to. The Minister appealed from this order and his appeal was allowed. It was held that the guarantor's money paid to the trustee was an asset available for creditors and that "The section (51) was intended to protect the Crown's rights to income tax and should be given a liberal interpretation."

There would seem to have been something out of line when bankruptcy proceedings in accordance with one Dominion statute could thus be thwarted by a provision in another Dominion statute. Under section 51, if interpreted liberally enough, the Minister of National Revenue could have forced a priority far beyond his legal rights under threat of stultifying the bankruptcy proceedings. Even without going that far, the Minister was enabled to ignore those proceedings with impunity and chose his own time to assert his rights no matter how embarrassing it was to the trustee or other creditors.

Two Laws Amended

However, the section of the Income Tax Act equivalent to section 51 of the IWTA was amended last fall and the provisions of the new Bankruptcy Act (passed by Parliament but not yet in force) regarding payment of tax claims are considerably changed. Under the latter the obligation imposed on a trustee by the Tax act to file all the returns which a bankrupt should have filed and did not file is reduced (by sec. 8 (14)) to a duty to file only those for the two years preceding the year in which the bankruptcy occurred. The section requiring a proof of claim, on penalty of being left out of a distribution (new sec. 108) provides that the Department of National Revenue has 90 days within which to prove its claim after the trustee has filed the returns on which the claim can be based. Section 95 of the new Bankruptcy Act specifically ranks the claims of the Crown immediately before trade and unsecured creditors and after all other claims.

When trustees begin to make use of the new section 108 they may find that it leaves something to be desired in connection with income tax claims. But they will no longer be plagued by the Income Tax Act because the certification-before-distribution section (now sec. 49) specifically exempts trustees in bankruptcy. It seems clear enough that the purpose behind the amendments in the Bankruptcy Act was to require the Department of National Revenue to conform to the procedures laid down in that Act and the way is now cleared by the amendment to the Income Tax Act.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

RENOLD-COVENTRY LTD. Montreal, net profit for 1949 of $75,193 was down 30.9% from the 1948 figure of $108,750. Although sales were about the same, the lower profit reflects smaller sales margin due to exchange problems and increased competition, inventory loss resulting from devaluation and higher expenses.

Results of doubling facilities in Quebec City and opening of offices in Hamilton and Toronto were satisfactory and President K. R. Schofield states that there is every indication that sales will further increase at these points during 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$129,347	$219,222
Less: Depreciation	7,354	6,679
Reorg. exp.	......	24,793
Inc. tax	46,800	79,000
Net profit	75,193	108,750
Less: Cl. A divds.	23,976	4,973
Cl. B	40,730	......
Com. (old)	......	18,814
Surplus for year	10,487	84,963
Earnings per Share and Dividend Record:		
Class A†	$4.23	$6.12
Paid	1.10+▲0.25	0.28
Class B‡	5.50	9.04
Paid	4.30	....

†Before (‡after) participation.
▲Includes 5c applicable to 1948.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$32,293	$23,440
Accts., etc., rec.	194,354	192,386
Investments†	41,069	46,642
Inventories	271,859	262,187
Total curr. assets	539,575	524,655
Invest. in sub.	5,022	......
Misc. assets▲	20,054	33,987
Fixed assets*	146,966	144,114
Goodwill	10,000	10,000
Total assets	721,617	712,756
Loans pay.	46,478	29,392
Accts., etc., pay.	137,663	130,273
Taxes pay.	28,831	54,933
Total curr. liabs.	212,972	214,598
Capital stock	30,500	30,500
Earned surplus	478,145	467,658
†Mkt. value	42,000	47,500
▲Incl. ref. EPT	18,656	32,568
*After deprec. of	43,848	40,947
Working capital	326,603	310,057

SOCIETE NATIONALE DE FIDUCIE shows net profit of $64,000 for 1949, up 16.2% from the 1948 figure of $55,091. It is proposed that the value of shares be increased to $30 and that quarterly dividends of 30c a share be declared. President Victor Morin states that reserves and operating prospects justify these recommendations.

Liabilities to the public amounted to $1,772,700 ($700,080 in 1948) and were secured chiefly by liquid assets of $2,465,305 ($1,388,592) and mortages of $91,356 ($58,577).

Estates, trusts and agencies accounts amounted to $29,184,966 ($24,768,812).

	1949	1948
Liab. to public, etc.*	$1,772,700	$700,080
Shareholders' equity	822,564	784,993
*Secured by:		
Mortgages	91,356	58,577
Office furniture	4,415	3,692
Realty for sale	34,188	34,212
Liquid assets‡	2,465,305	1,388,592
Total	2,595,264	1,485,073
‡Includes bonds and stocks.		
Estates account	29,184,966	24,768,812
Net profit	64,000	55,091
Earned per Share	$2.56	$2.20
Paid	1.00+0.20	1.00

BATES & INNES LTD. shows net profit of $44,928 for 1949, down 27.8% from the 1948 figure of $62,228. Sales dropped from $1,420,500 to $1,304,500. Demand slackened in the spring and summer and, while it picked up in the fall for woven goods, remained low for knitted goods. There has been no noticeable effect as yet from devaluation.

Vice-President R. W. Bates stated that shipments so far in 1950 have been normal and, while total sales this year may be down, costs have been adjusted accordingly.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$90,335	$114,092
Less: Depr.	20,311	15,636
Income taxes	25,096	37,019
Add: Nonrecurr. prof.	......	791
Net profit	44,928	62,228
Less: Cl. A divd.	15,250	16,775
Common divd.	30,000	33,000
Surplus for year	▪322	12,453

▪Deficit.

Earnings per Share and Dividend Record:		
Class A†	$2.95	$4.08
Paid	1.00	1.00+0.10
Common†	0.99‡	1.57
Paid	1.00	1.00+0.10
Cl. A & com.‡	*	1.38

†Before (‡after) participation.
*No earnings available for participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$109,135	$12,206
Accts. rec., etc.	83,632	69,110
Inventories	313,056	424,226
Total curr. assets	505,823	505,542
Misc. assets▲	59,602	88,094
Fixed assets*	448,164	462,212
Total assets	1,013,589	1,055,848
Accts., etc., pay.	21,302	57,729
Taxes pay.	18,286	27,801
Total curr. liab.	39,588	85,530
Capital stock	625,000	625,000
Earned surplus	349,001	345,318
*After depr. of	568,567	553,947
▲Incl. ref. EPT	44,618	73,214
Working capital	466,235	420,012

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Wife's Dividend Deduct'ns

My wife has an income of her own of about $500 from dividends on stocks. This means that my exemption as a married man is reduced from $2,000 to $1,750. If my wife were taxable she would be allowed to deduct 10% of her dividends from Canadian stocks from her tax payable. Can I deduct from my tax 10% of the $250 of her dividends which is used to reduce my exemption?

No. Deductions from a spouse's income or tax, if she were taxable, cannot be deducted from the taxpayer's tax.

Supports Sister

Miss A. maintains a self-contained domestic establishment in which she supported a dependent sister during part of 1949. Can she claim married status and a $2,000 exemption because of supporting such sister who is over 21 and not mentally or physically infirm?

If the sister did not have an income for the whole year exceeding $500, then Miss A can claim married status. You don't say what was the position of the sister during the part of the year Miss A was not supporting her. Conceivably she may have had a substantial income in the months preceding. If this income exceeded $500, then she is not considered dependent.

INVESTMENTS

Depletion Allowances

I understand that there has been a change in depletion allowances with respect to shareholders' dividends. What rates apply now? Could you tell me what the allowance will be in the case of dividends on Noranda, Hudson Bay Mining & Smelting, Hollinger, Macassa, Pickle Crow, Preston East Dome, Wright-Hargreaves, British American Oil, Imperial Oil? Just what does "depletion" mean?

Shareholders in Canadian Mining and oil producing companies are entitled to a depletion allowance the extent of which depends upon the proportion of the company's income deriving from mining and production of oil. In addition, there is a 10% tax credit to which the shareholder is entitled when the company concerned pays any corporation tax whatever.

Depletion allowances are:

(1) 10% of the dividend where mineral profits are not less than 25% but less than 50% of the company's income.

(2) 15% of the dividends where mineral profits are not less than 50% but less than 75% of the company's income.

(3) 20% of the dividend where mineral profits are not less than 75% of the company's income.

We believe that shares of Noranda, Hudson Bay Mining & Smelting Co., Hollinger Consolidated, Macassa, Pickle Crow, Preston East Dome and Wright-Hargreaves will entitle their holders to the full 20% depletion allowance on dividend payments.

We do not believe that either British American Oil Co. or Imperial Oil shares entitle their holders to any depletion allowance at present. This situation may change, however, as oil production becomes an increasingly important part of their business.

B. A. Oil advises that if they should bring dividends in from U. S. operations in 1950 so that the 25% minimum figure is reached, shareholders will be advised by letter that a depletion allowance is applicable.

What the depletion allowance means—when say a 20% rate applies—is that the shareholder, in practice, only has to pay tax on 80% of his dividend with the balance treated as return of capital from the working of a wasting asset.

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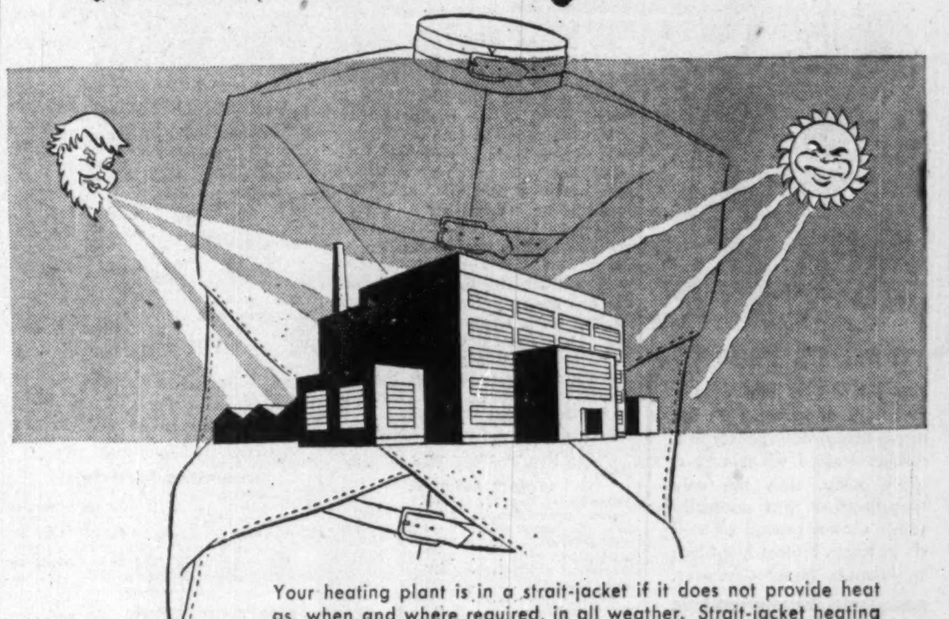
Is your industrial heating plant in a strait-jacket?



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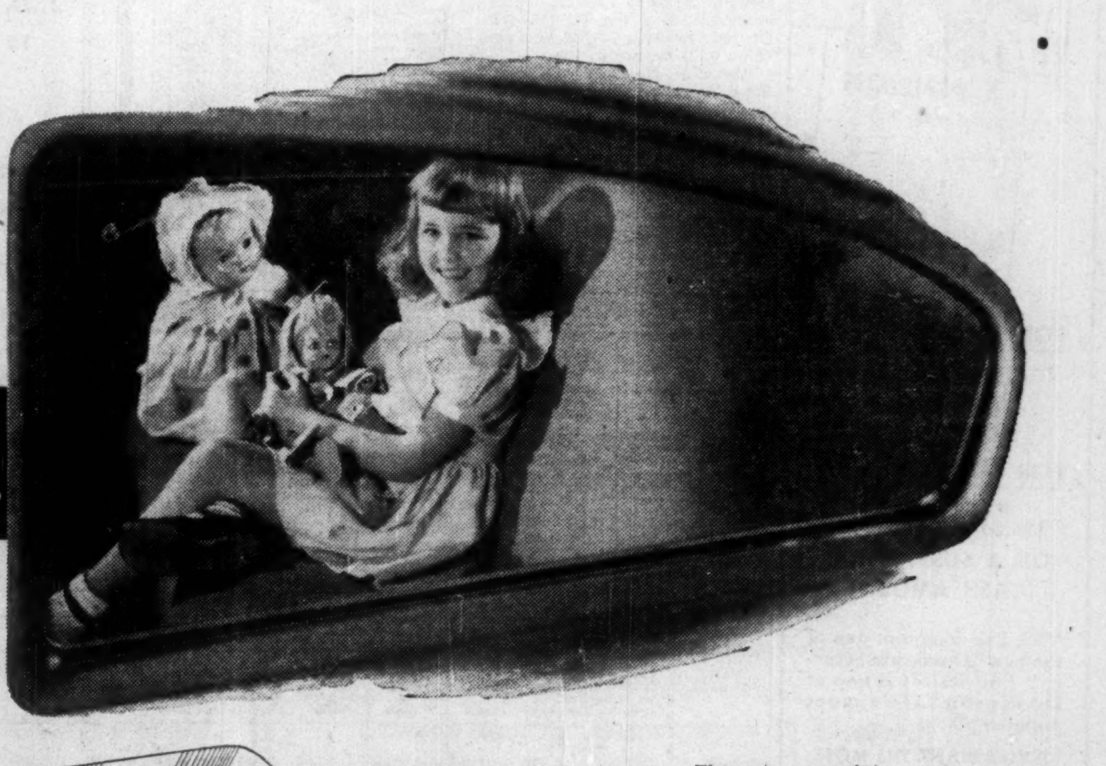

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Revolution For Uranium Hunt?

New Instrument 290 Times More Sensitive, Tells Values

An epoch-making date in the Canadian search for uranium was Feb. 15, 1950, when a Winnipeg firm, Halross Instruments Corp., started commercial production of an instrument which not only distinguishes uranium from thorium and other radio-active minerals but gives a pretty fair idea on actual percentage of uranium present—so the makers claim.

This instrument, known as the Scintillometer, works on an entirely different principle from the Geiger counter and appears to overcome just about all the difficulties which have made the Geiger counter an "instrument of frustration" in the hands of even experienced prospectors.

The Scintillometer is 290 times more sensitive than the average of three common Geiger counters. Only a handful are in use. The price ($745 plus sales tax) may limit their use—cost is nearly four times that of a Geiger counter—but the instrument has already been phenomenal in detection and mapping intensity of uranium radio-activity and will likely be a must for larger operators.

Restrict Export

Except with approval of the Canadian Atomic Energy Control Board, the Scintillometer may be sold only to persons or companies planning to use them for prospecting and mining operations in Canada.

What is the principle of Scintillometer? Why will it do things that a Geiger counter won't?

Three University of Manitoba professors—George M. Brownell, professor of geology; R. W. Pringle, associate professor of physics, and K. I. Roulston, assistant professor of physics—were responsible for original development of the instrument. They combined two important facts to create their new invention.

1. Gamma rays from uranium and other radio-active minerals will produce "scintillations" in crystals.

2. Photomultiplier tubes have been developed which multiply the effect of crystal scintillations by nearly a million times.

Two test instruments were given field trials in the spring of 1949. Later in the year Halross Instruments Corp. engineered the product into a rugged, portable (10-lb.) instrument, winterized and tropicalized.

The Scintillometer employs a dense crystal for its detection against a Geiger tube filled with gas. Tests are stated to show that 99 to 99.9% of all gamma rays striking Geiger tubes pass right through without causing any effect. The dense crystal of the Scintillometer records scintillations from nearly every gamma ray that penetrates it.

Cosmic Rays Don't Worry

Cosmic rays, a bugbear with the Geiger counter, are actually recorded with equal efficiency by both instruments, but their number is so small in proportion to the total recorded by the Scintillometer that their effect is negligible in the new instruments.

If a low background of gamma radiation be taken as around 3,000 per minute, the total readings on the two instruments would be about as follows:

	Total radiation	Geiger counter	Scintillometer
Cosmic rays	20	20	20
From rocks	3,000	30	3,000
Total	3,020	50	3,020

If one passed into an area where radiation from the country rock increased from 3,000 to 4,000, the resultant 10 additional counts on the Geiger counter might hardly be noticed, while an increase of 1,000 counts on the Scintillometer could scarcely be missed.

Spectra Makes Difference

The different "gamma ray spectra" emitted by uranium and thorium and the fact that the Scintillometer can be used as a crude gamma ray spectrometer permits uranium and thorium to be readily differentiated and the percentage of uranium present in a sample can be roughly approximated even where both are present. Standard known samples of uranium and thorium can be used in the field to "calibrate" the instrument when qualitative or quantitative determinations are wished; unknown samples get a test on a ratio basis.

It is not expected that the Scintillometer will ever replace actual assaying. But in actual field work uranium discoveries have been made by the Scintillometer that were missed entirely in previous Geiger counter work. The Scintillometer can detect radio-activity through a far larger mantle of overburden than the Geiger counter and has demonstrated itself a very versatile instrument. It provides all its information on one simple dial.

Injunction Halts Oil Well In Fight Over Natural Gas

From Our Own Correspondent

EDMONTON—Meaning of the word "petroleum" is the crux of probable litigation that may run into millions of dollars and could have an important bearing on part of the Alberta oil industry. By early March six Alberta farmers, chiefly in the Leduc area, had each filed a statement of claim for $500,000, claiming that rights granted the C.P.R., Imperial Oil and Gulf Oil Co. of Calgary do not include the natural gas.

Originally owned by the CPR, the land in question was later sold, but rights to coal, petroleum and valuable stone upon the properties were retained by the railway. The CPR leased the rights to oil companies, who along with the railway claim the word petroleum as then used includes natural gas.

One thing is certain, that the oil can't be produced without the natural gas also trapped in the rock structures escaping.

One of the farmers is Andrew Borys, president of the Leduc Surface Rights Association. He already has secured an injunction against Imperial Oil which is drilling a well on his land. Imperial is seeking to have the injunction lifted.

Under Borys' name a letter has gone to every Alberta MLA asking for legislation covering the definition of the word "petroleum" and "declaring fairly and equitably the rights of owners of petroleum and the owners of natural gas."

Borys points out in his letter that in more recent years minerals reserved have been described as "petroleum and natural gas, coal and valuable stone," and that "for some years the mineral rights have been granted under reservation or lease to oil companies and have been and are being developed on the assumption that the rights include both oil and gas."

In his own case, he states, he owns all the minerals on his land save petroleum, coal and valuable stone, which were reserved to the CPR. He says Imperial Oil acquired the petroleum rights under lease from the CPR in 1910.

On March 1 at Red Deer Chief Justice Howson granted an injunction restraining Imperial from using, removing, wasting, interfering with or otherwise disposing of in any manner the natural gas until the trial of the action or until further notice. Alternative to this, Borys wants $500,000.

It is understood that in defence Imperial claims it either owns the natural gas by virtue of its lease of the petroleum or else it is entitled to use Borys' natural gas as incidental to its recovery of petroleum and without compensation of any kind to Borys.

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COMPANY REPORTS

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PRESTON EAST DOME MINES showed an increase in ore grade treated from 0.2299 to 0.242 oz. gold per ton in 1949. This was reflected in a rise in net profit to $296,301 or 10 cents a share (8 cents a share previous year).

With 2,071 ft. of new ore grading 0.28 oz. uncut or 0.16 oz. cut grade opened during the year, ore reserves were increased by 10,475 tons to 451,560 tons after the milling of 237,623 tons. Average ore grade was off 0.004 oz. gold per ton at 0.229 oz.

The Preston porphyry responded more favorably to development and stoping than anticipated with more of the stringer type ore found in recent work in the south end between the 13th and 18th levels than expected. A band of carbonates between the west porphyry zone and the north greenstone area was found to be ore-bearing at the 7th level with 140 ft. of ore of an 0.34 oz. uncut grade opened up.

Six new levels below the 23rd were established during 1949 and ore has been disclosed off them in limited work since the end of the year. Development of new levels is to be pressed this year.

Work was done on both the Cincinnati Porcupine and Midcamp properties during the year. Most of the Cincinnati claim is expected to be explored by diamond drilling in 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion production	$2,031,518	$1,863,733
Less: Market chgs.	16,094	14,937
Net recovery	2,015,424	1,848,796
Less: Oper. costs	1,691,269	1,681,845
Operating profit	324,156	166,951
Add: Cost-Aid	154,104	146,000
Sundry rev.	22,885	24,638
Net earnings	501,145	337,589
Less: Deprec.	41,476	35,566
Outside expl.	17,020	11,319
Shaft deep. w/o	87,030	28,710
Prov. for taxes	59,318	19,192
Net profit	296,301	242,802
Less: Dividends	225,000	180,000
Surplus for year	71,301	62,802
Earned per Share	$0.10	$0.08
Paid	0.06+0.01½	0.06

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$259,458	$313,146
Accts. rec.	2,621	3,483
Cost-Aid assist.	98,165	88,128
Bds. & list. stks.*	579,700	560,699
Accr. bd. int., etc.	8,457	5,561
Stores & supplies	203,443	173,771
Total curr. assets	1,151,844	1,144,788
Investments	176,831	146,618
Prep. & def. assets	10,341	26,373
Def. development	261,089	118,653
Mining claims	1,327,265	1,327,265
Plant & equip.▴	96,924	78,774
Total assets	3,024,294	2,842,471
Accts., etc., pay.	236,548	183,234
Taxes payable	50,898	16,138
Total curr. liab.	287,446	199,372
Capital stock	1,770,250	1,770,250
Surplus	966,598	872,849
▴After depr. of	1,936,215	1,894,764
*Market value	594,200	594,019
Working capital	864,398	945,416

OPERATING STATISTICS

	1949	1948
Tons milled	237,623	237,405
Average recov.	$8.55	$7.85
Ore reserves, tons	451,560	441,085
Grade ($35 gold)	$8.02	$8.16

PAMOUR PORCUPINE MINES realized a sharp improvement in earnings in 1949. Net profit of $486,557 was equal to 9.7 cents a share against 0.3 cents a share the preceding year.

Over half of the 1949 profit ($292,000) came from credits under EGMAA. Earnings for the fourth quarter were equal to three cents a share as both cost-aid credits and the 10% premium on U. S. exchange prevailed.

In 1950, credits under EGMAA will be reduced by the premium on exchange. A dividend of seven cents a share was paid Dec. 15.

Ore reserves were increased by close to 70,000 to 1,404,758 tons averaging $3.85 a ton (at $35 gold). Of these reserves 725,552 tons averaging 0.135 oz. are in the west end of the mine. No allowance is made for dilution, although the management notes that dilution is a "serious factor" in west end stopes.

A heavy development program, requiring about four years, is expected to increase development costs during this period. Involved is extension of the main shaft approximately 1,000 ft., extension of drifts from it to the west end of the property and raising to meet the west end shaft.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Metal recoveries	$2,058,090	$1,330,822
Less: Oper. exps.	1,858,809	1,463,459
Operating profit	199,281	▪132,637
Add: Cost-Aid	291,869	179,833
Other income (net)	118,967	83,837
Net earnings	610,117	131,033
Less: Depreciation	42,427	65,319
Dev. exp. w/o	45,845	45,845
Taxes	♦35,288	3,247
Net profit	486,557	16,622
Less: Dividends	350,000	......
Surplus for year	136,557	16,622

▪Loss or deficit.
♦After deducting $64,212 reduction re prior years' losses.

	1949	1948
Earned per Share	$0.097	$0.003
Paid	0.07	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$354,220	$417,996
Accts. rec.	38,454	37,155
Cost-Aid assist.	125,000	80,000
Demand note	200,000	......
Prep. inc. tax	......	49,327
Stores, bk. val.	282,416	267,786
Total curr. assets	1,000,090	832,264
Mkt. secs.*	2,741,771	2,669,715
Prep. & def. chgs.	5,467	12,102
Def. dev. exp.	45,845	91,691
Mine property	162,823	162,823
Plant & equip.▴	146,816	170,132
Total assets	4,102,812	3,958,727
Accts., etc. pay.	169,489	160,772
Taxes payable	36,000	2,500
Prov. equal. replace. costs	40,338	75,027
Total curr. liab.	245,827	238,299
Capital stock	1,387,500	1,387,500
Earned surplus	2,469,485	2,332,928
▴After depr. of	1,959,804	1,917,377
*Market value	2,821,375	2,684,050
Working capital‡	754,263	613,965

‡Not including investments.

OPERATING STATISTICS

	1949	1948
Tons milled†	584,190	412,352
Average recov.	$3.52	$3.23
Ore reserves, tons	1,404,758	1,335,820
Grade ($35 gold)	$3.85	$3.92

†Not including 103,101 tons of custom ore treated in 1948, 1,032 tons in 1949.

HALLNOR MINES showed increases in both earnings and ore reserves in 1949 but ore results at depth did not come up to expectations.

"Exploration work on the 2,760-ft. and 3,060-ft. levels has not been as encouraging as had been expected," President J. Y. Murdoch reports. "However some ore will be mined on these levels. This, of course, does not rule out the possibility of ore occurrences at lower horizons."

Net profit for the year was $665,593 or 33 cents a share (30 cents in 1948). Market value of investments plus net working capital and supplies showed a decline of approximately $100,000 at $3 millions.

Increase of 83,932 tons in ore reserves to 501,510 tons—four years' supply at the 1949 milling rate—was "due to old stopes retaining their mining widths and the increased mining widths above those anticipated when the 7th level was developed for mining."

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Metal recoveries	$1,716,024	$1,585,075
Inc. from invests.	79,833	87,435
Total revenue	1,795,857	1,672,310
Less: Oper. exps.	944,040	897,444
Operating profit	851,817	775,066
Add: Cost-Aid	24,299	20,000
Less: Depreciation	11,799	13,041
Taxes	198,724	182,729
Net profit	665,593	599,296
Less: Dividends	560,000	560,000
Surplus for year	105,593	39,296
Earnings per Share	$0.33	$0.30
Paid	0.28	0.28

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$176,423	$334,337
Accts. rec.	21,812	30,898
Cost-Aid assist.	22,000	20,000
Stores	215,014	208,312
Total curr. assets	435,049	593,747
Mkt. secs., cost*	3,017,735	2,742,660
Prep. & def. chgs.	4,186	11,057
Mining properties	362,500	362,500
Plant & equip.▴	51,129	50,782
Total assets	3,870,599	3,760,746
Accts. & tax. pay.	212,889	213,370
Other curr. liab.	24,825	20,084
Total curr. liab.	237,714	233,454
Capital stock	2,000,000	2,000,000
Less: Disc. on shs.	662,500	662,500
Earned surplus	2,295,385	2,189,792
▴After depr. of	1,112,964	1,101,165
*Market value	2,841,185	2,769,750
Working capital‡	197,335	360,293

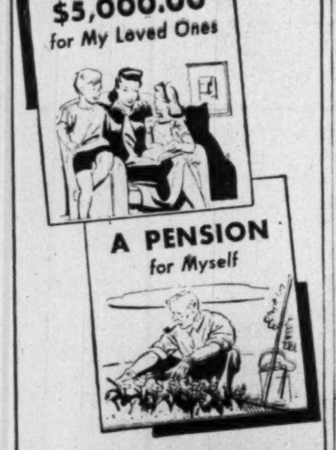
‡Not including investments.

OPERATING STATISTICS

	1949	1948
Tons milled	129,745	127,059
Average recov.	$13.23	$12.48
Ore reserves, tons	501,510	417,377
Grade ($35 gold)	$11.35	$12.25

NATURE UNSPOILED
YOURS TO PROTECT
The FLICKER is one of the first signs of spring. He's the large, brown woodpecker with golden-shafted wings and a white rump. He's the only woodpecker that normally feeds on the ground as well as in trees. Protect him—he's a valuable insect destroyer.
YOURS TO ENJOY
CARLING'S
THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO
† © 1949 CARLING'S D50A

"I'VE PLANNED MY FUTURE"



FOR MY DEPENDENTS
$5,000.00 CASH
or $25.00 a month for over 21 years
FOR MYSELF
If I live to retire $25.00 a month for life
OR A SUBSTANTIAL CASH AMOUNT

YES, I've taken out one of the new "Dominion Security" Policies. It is one of Dominion Life's most popular plans.

IF YOU WANT THE MOST LIFE INSURANCE BENEFIT FOR THE LEAST OUTLAY
write for further particulars of the Dominion Security Policy.

Dominion Life
ASSURANCE COMPANY Since 1889
HEAD OFFICE WATERLOO, ONTARIO
BRANCHES IN PRINCIPAL CITIES

MANAGEMENT SERVICES
in
Time, Motion and Methods Study
Incentive Plans and Job Evaluation
Foremen and Supervisory Training
Personnel Selection, Training and Administration
Cost, Production and Budgetary Controls
Sales, Distribution and Marketing
Office Systems
Organization Surveys

J. D. WOODS & GORDON Limited
15 Wellington St. W., Toronto, Canada
MANAGEMENT CONSULTANTS

Tex-made COTTON DOES THE JOB

BEHIND SWITCHBOARDS and walls, in radio sets and motor cars . . . wherever you find electric wiring you find cotton, too.

Wire manufacturers use more than 100,000 pounds of "Tex-made" cotton a month for braiding or winding round electrical wiring: protecting rubber insulation, covering copper magnet wire—assuring electrical "nerves" which are flexible, safe and strong.

COTTON IS THE CHOICE of these manufacturers because it is so easy to handle. It is less likely to break in winding machines, binds better than other yarns.

"Tex-made" cotton, traditional covering material for electric wiring, "does the job" in a thousand industrial and commercial applications.

If you have a problem pertaining to the use of cotton, our representative will be pleased to assist you in solving it.

DOMINION TEXTILE COMPANY LIMITED
Montreal, Canada

Position of Chartered Banks of Canada as of January 31, 1950 Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other banks in Canada	Due to banks in U. K.	Due to Banks Elsewhere
	$	$	$	$	$	$	$	$	$	$	$
Montreal	....	36,800,518	49,382,789	....	583,285,110	1,100,633,765	15,514,980	104,744,233	18,262,087	11,312,320	19,850,639
Nova Scotia	86,887	7,255,012	3,858,716	....	184,247,271	409,908,566	3,173,970	86,278,781	7,729,487	1,514,359	4,184,687
Toronto	....	7,753,993	3,001,321	....	129,133,400	272,394,694	516,086	....	4,057,093	3,490,332	1,441,326
Provincial	....	879,928	611,479	....	31,909,464	117,590,734	30,902	....	1,931,539	....	47,029
Commerce	43,706	16,308,877	40,909,484	....	482,219,012	831,710,535	7,290,004	99,393,331	12,603,011	5,775,927	10,395,838
Royal	528,864	23,387,275	38,782,673	....	692,817,263	972,948,778	37,099,845	382,238,342	11,196,804	6,199,942	35,211,577
Dominion	....	11,506,116	5,836,135	....	124,141,216	220,768,751	6,117,616	10,754,278	4,446,144	2,828,934	2,154,826
Nationale	....	3,730,233	2,087,483	....	93,463,457	287,768,478	637,338	686,476	2,365,016	79,009	751,532
Imperial	....	8,198,992	31,099,813	....	137,778,284	272,238,416	1,816,101	....	4,417,241	3,482,174	3,286,680
Barclays	....	1,803,887	23,826	....	7,348,456	8,028,111	3,177,643	....	320,989	3,334,770	2,358,464
Total	629,437	117,934,131	178,352,380	....	2,406,322,993	4,494,060,826	79,334,565	664,275,441	67,380,321	37,677,767	79,632,098

NAME OF BANK	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	SUPPLEMENTARY INFORMATION: Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in circ.	Bills rediscounted with Bank of Canada
	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	30,530,525	1,609,148	934,045	48,000,000	36,000,000	2,056,931,055	50,000,000	36,000,000	10	242,905	3,561,021	....
Nova Scotia	18,398,342	445,187	433,719	24,000,000	12,000,000	765,594,970	15,000,000	12,000,000	14	2,067,725	1,162,790	....
Toronto	2,669,855	20,599	214,282	14,000,000	6,000,000	446,683,045	10,000,000	6,000,000	14	513,344	524,331	....
Provincial	473,198	70,508	16,209	2,000,000	4,000,000	159,600,809	5,000,000	4,000,000	6	1,384,025	....	....
Commerce	47,751,479	550,274	642,038	30,000,000	30,000,000	1,599,013,191	50,000,000	30,000,000	8	1,401,816	2,915,693	....
Royal	56,903,727	3,555,222	941,914	44,000,000	35,000,000	2,290,812,231	50,000,000	35,000,000	10	2,417,303	3,816,583	....
Dominion	8,896,011	182,101	177,157	10,000,000	7,000,000	414,528,790	10,000,000	7,000,000	10	298,709	482,959	....
Nationale	549,184	41,429	155,741	7,000,000	7,000,000	406,315,550	10,000,000	7,000,000	8	774,700	536,852	....
Imperial	8,245,188	229,913	212,460	10,000,000	7,000,000	488,574,266	10,000,000	7,000,000	12	717,645	691,342	....
Barclays	492,515	11,358	....	1,500,000	1,500,000	31,899,404	1,500,000	1,500,000	....	....	48,795	....
Total	174,910,024	6,715,734	3,727,565	190,500,000	145,500,000	8,646,983,311	211,500,000	145,500,000	....	9,818,172	13,740,369	....

†And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposit with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balance due by other banks in Canada	Due by banks in U. K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	3,032,852	11,514	43,164,417	145,484,015	74,213,867	1,451,232	5,808	2,600,491	47,269,478	238,834,191	558,080,139	36,453,667	92,279,136	47,811,993
Nova Scotia	1,505,298	602,221	22,054,153	32,605,739	31,000,059	22,761,416	....	295,084	13,513,161	54,719,442	180,111,584	6,497,719	13,583,764	8,964,197
Toronto	696,020	....	9,776,936	30,742,600	17,042,196	488,266	....	198,030	4,347,194	49,612,173	147,380,516	3,514,224	13,233,418	8,332,841
Provincial	536,480	....	4,712,853	11,781,618	6,102,018	178,719	....	11,899	1,289,663	19,270,929	22,712,942	5,970,341	16,104,028	6,915,018
Commerce†	2,206,392	99,941	32,114,673	96,008,484	48,654,484	2,706,510	89,532	1,350,327	35,717,308	116,143,160	480,228,725	23,538,466	42,018,892	23,544,211
Royal‡	3,391,408	1,790,384	50,438,822	182,767,580	83,239,093	79,093,974	6,891	8,705,607	62,330,951	258,823,303	535,420,880	27,086,497	74,562,434	36,430,711
Dominion	696,059	339	7,849,153	31,942,272	15,714,679	389,943	1,874	1,979,859	9,477,242	64,265,146	85,071,366	1,035,418	5,508,509	5,655,464
Nationale♦	1,290,591	1	15,159,680	24,009,007	10,432,133	442,829	....	24,976	2,341,366	56,259,551	71,212,939	5,973,077	38,308,665	17,157,253
Imperial	1,170,745	....	14,980,800	22,275,781	19,489,892	800,529	722,253	327,316	4,826,855	49,278,785	143,708,406	1,880,207	7,181,580	8,700,474
Barclays	6,083	....	226,956	2,999,566	631,832	7,682	140,772	359,902	2,024,201	778,400	5,749,083	1,269,435	5,465,186	1,020,657
Total	14,832,888	2,494,599	200,249,233	530,616,262	306,520,053	108,921,120	967,138	15,853,491	183,237,419	907,985,082	2,235,676,580	115,199,042	308,248,612	164,532,822

NAME OF BANK	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	*Real Estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	♦Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	5[illegible],808,493	127,193,879	17,981,196	29,046,880	441,545,874	23,380,355	4,111,139	13,352,743	299,339	268,152	18,143,989	206,460	3,325,301	2,058,086,863
Nova Scotia	7,511,083	24,239,908	17,383,734	8,019,660	226,888,079	44,493,475	1,370,957	15,340,387	63,896	3,833	8,916,926	71,976	7,513,090	768,431,995
Toronto	....	14,962,303	5,651,821	....	125,642,246			6,062,303	22,831	8,828	3,635,681	29,990	63,438	448,113,393
Provincial	....	7,894,952	3,201,440	....	47,451,599	....	32,375	2,829,897	23,943	91,785	2,267,797	14,792	200,533	160,102,830
Commerce†	46,387,992	66,466,571	18,463,454	4,765,670	405,760,093	19,223,845	15,990,005	12,388,463	454,593	287,111	17,317,304	175,000	3,915,489	1,599,718,201
Royal‡	128,530,844	108,916,906	24,505,521	28,654,379	458,462,417	101,127,442	1,495,659	10,982,532	287,774	256,084	13,771,521	220,000	6,017,940	2,294,872,543
Dominion	3,710,648	7,298,861	4,178,643	5,926,800	146,567,806	848,365	3,468	2,373,322	24,994	41,302	6,292,053	30,512	307,475	415,884,495
Nationale♦	842,150	16,381,903	1,624,495	....	128,493,757	320,577	....	8,848,921	26,740	208,802	6,773,514	30,298	150,318	408,961,340
Imperial	1,919,491	9,097,029	6,068,039	....	178,552,092	173,642	33,419	4,171,225	23,865	....	6,667,901	39,810	70,374	490,368,300
Barclays	3,820,419	250,000	818,665	....	4,340,263	....	....	285,000	826	....	1,339,779	3,433	22,542	32,082,637
Total	250,531,120	382,532,212	99,874,038	76,413,090	2,163,707,226	200,767,701	23,037,022	76,623,728	1,208,611	1,118,597	97,126,445	822,070	21,886,401	8,664,289,603

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of The Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to The Canadian Bank of Commerce return.

*Includes mortgages.

♦Includes $174,910,024 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

♦Banque Canadienne Nationale (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of the Banque Canadienne Nationale (France) are included in the above general statement.—Footnote to Banque Canadienne Nationale return.

Your Shield of Security

SOLID PROGRESS
IN EVERY DEPARTMENT

Our 1949 Annual Report Shows:

New Business	$ 5,106,310	9.4%	UP
Total Business in Force	23,855,950	10.8%	UP
Net Premium Income	832,904	13.6%	UP
Total Assets	3,558,128	9.2%	UP
Surplus, Contingency and Dividend Reserves	207,449	15.2%	UP
Reserves for Protection of Policy Holders	3,242,056	8.9%	UP

A Copy of our complete Annual Report will be mailed on request

A Mutual Company — Entirely owned and operated by Policy Holders.

Toronto Mutual Life Insurance Company

Imperial Bank of Canada Marks 75th Anniversary

This week (March 16) the Imperial Bank of Canada completed 75 years of operation. Founded eight years after Confederation, its record parallels that of Canada herself.

From one branch in Toronto, the bank has grown to an institution with 212 branches across Canada, with assets at the close of its 75th fiscal year exceeding $519 millions, more than 390,000 savings depositors and over 60,000, current account depositors, and ranking among the soundest and most progressive financial institutions in the country.

Although the bank opened for business in 1875, it was incorporated in 1873.

The bill of incorporation passed the Commons but in the Senate the name was changed to the Imperial Bank and it was so incorporated. In 1874 the name was changed to the Imperial Bank of Canada as it has been ever since.

In the first year of its existence, the Imperial Bank of Canada was amalgamated with the Niagara District Bank, when it gained branches at St. Catharines, Ingersoll and Port Colborne. This and an amalgamation in 1932 with the Weyburn Securities Bank, a small institution serving a limited territory in Saskatchewan, are the only amalgamations in the bank's history.

The first head office was in the Masonic Hall, 18 Toronto St., Toronto. But one year later it was moved to the corner of Wellington St. and Leader Lane, a site then occupied by the Toronto Corn Exchange. The bank occupied the ground floor and had as tenants for 10 years, the Board of Trade, the offices of Gooderham & Worts and others.

First president was Henry S. Howland, who had undertaken to raise the capital of the bank; first vice-president, T. R. Merritt, then president of the Niagara District Bank,

As the bank grew and its number of branches increased the character of its business broadened. But chief borrowers in the early days were merchants rather than manufacturers. Thus in Toronto, its business was chiefly with general merchants, grain buyers, local railways and the city corporation.

The first five years of the bank's existence conditions were not favorable for banking developments and during that time only five new branches were opened: at Welland and St. Thomas in 1876, Dunville in 1877, Fergus in 1878 and Woodstock in 1879. Due to depressed business conditions in the '70's, the infant organization was subject to various trials. But from its inception it has steadily paid dividends.

Business activity in the West began to attract interest about 1880, especially, with the incorporation of the Canadian Pacific Railway. The outlook so impressed the Imperial Bank directors that they sent President Howland and Vice-President Merritt to look over the situation in Manitoba. Before they returned, arrangements were made to open an office at Winnipeg. A land boom followed. When it burst the results were felt all over Canada. However, the bank continued to push westward, opening a branch at Brandon in 1882, Calgary in 1886, Prince Albert and Edmonton in 1891, Vancouver in 1895. Thus by 1900 it had become a national institution.

The early 1900's were a time of expansion and the bank shared in the prosperity.

In succeeding years, the bank saw the boom of 1929, and the depression of the early '30's. In 1936 the new head office at Bay and King Streets, Toronto, was opened.

In World War II as in World War I, the bank saw many of its staff enlisting in the armed forces. In the last war, enlistments of men totaled 583, almost 50% of the total male staff at the outbreak of war.

The bank recently opened a branch at Halifax giving it representation in the Maritimes.

MR. JOHN BONNER

Recently appointed Assistant Sales Manager at Toronto Headquarters of Gordon Mackay and Company, Limited. Mr. Bonner, formerly in charge of the Gordon Mackay Windsor office, will continue his work of assisting retailers in profitable merchandising of the nationally advertised Gordon Mackay textile products. ✻

Stock Offered in Can. Company Which Will Invest in Israel

Canadians are being invited to invest in Israel via Palestine Economic Corp. of Canada. Its common shares are being offered directly by the company at $100 per share.

Incorporated under the Ontario Companies Act by letters patent dated Dec. 29, 1947, Palestine Economic Corp. of Canada will make investments in Palestine to assist the economic development of that country.

President is Marvin Bernard Gelber of Toronto who is vice-president of Gelber Bros., and a director of other Canadian companies. Its treasurer is David Lou Harris of Toronto, president of Atlas Radio Corp. and Tele-Muse Corp. and also general manager of Radio Components Ltd. and Electronic Essentials Ltd.

Other directors are: Harry Batshaw, K.C. and Hyman Grover, of Montreal; John Dower and Harry Freidman, K.C., Edmonton; E. E. Gelber and Samuel Jacob Zacks, of Toronto.

Authorized capital is $1 million consisting of 10,000 common shares, par $100. Of this sum, around $200,000 has already been subscribed, Mr. Gelber tells The Financial Post.

Directors have not as yet definitely decided what specific investments in Palestine will be made, it is stated. A joint investment program with its associated U. S. company will likely be carried on.

The Canadian company will have the advice of the Palestine Economic Corp. of the U. S.

Palestine Economic Corp. (the U. S. company) was incorporated in 1926. According to its balance sheet as of Dec. 31, 1948, it had assets abroad of $3,895,633 and total assets of $6,256,081. Capital, surplus and reserve amounted to $5,890,769. It is paying dividends at the rate of 4% per annum on the $25 par value of its common stock.

The U. S. company has investments in land developments, mortgage and building companies, a bank for financing co-operatives, water companies, Palestine Potash Ltd., Palestine Hotels Ltd., Palestine Electric Corp. and Palestine Purchasing Services Inc.

Directors of the U. S. company have passed a resolution giving common shareholders of Palestine Economic Corp. of Canada the right to exchange stock in the Canadian company for an equal amount of par value common stock of the U. S. company on the basis of the prevailing free rate of exchange of American and Canadian dollars in New York City, provided:

(1). the exchange be made before Jan. 1, 1951.

(2). that the total par value of the Canadian company's stock offered for exchange does not exceed $1 million.

(3). that no investments be made by the Canadian company unless mutually satisfactory to the U. S. company.

(4). that the stock of the Canadian company is not issued below par.

(5). that the total operating expenses (including cost of selling its stock) of the Canadian company up to the date of exchange should not exceed 5% of the total capital of the corporation.

In Australia and New Zealand

With total assets of over £275,000,000 and with over 800 branches and agencies throughout Australia, New Zealand, Fiji, Papua and New Guinea, this Bank is better equipped to facilitate trade with these countries than any other institution there.

BANK OF NEW SOUTH WALES

British & Foreign Department, Sydney, Australia

TOWN OF LEASIDE has sold $175,000 3% public school debentures, maturing Feb. 15, 1951 to 1970 to J. L. Graham & Co., and Fairclough & Co. Price received by the town was 97.85, this being the highest of nine offers submitted. Net cost of financing is approximately 3.23%.

Overseas
TRAVEL SERVICES

1950 is going to be a big year for travel. Thousands of Canadians will take advantage of the Holy Year to journey to Italy. Thousands more will travel in Britain and on the Continent.

Imperial Bank of Canada will be pleased to assist you with your currency problems wherever you may go this year. To make sure that your trip is successful, consult your Imperial Bank Manager for expert advice.

Imperial Bank of Canada travel services include:

★ Advice on all questions regarding funds for U.S. and overseas travel.

★ Travellers' cheques for travel security.

★ Letters of credit, useful anywhere.

Consult your nearest Imperial Bank Branch Manager, today.

IMPERIAL BANK
OF CANADA

IS A PENSION PLAN in Your Plans?

THE Government Annuities Act provides a means for putting into effect Group Pension Plans for the benefit of employees.

These Group Annuities may be purchased on a contributory scheme or solely by the employer.

Government Annuities are backed by the resources of Canada, are not weighted for profits, and administration costs are borne by the Government.

If you desire detailed information, please call your local Canadian Government Annuities Representative or write to the Director, Canadian Government Annuities, Department of Labour, Ottawa.

Canadian Government
ANNUITIES
Provide for Old Age

DEPARTMENT OF LABOUR

HUMPHREY MITCHELL, Minister
A. MacNAMARA, Deputy Minister

COMPANY REPORTS

ABITIBI POWER & PAPER CO. LTD. consolidated net profit of $9,780,947 for 1949 was down 4.8% from the 1948 net of $10,270,586. The total profit was down 17% if allowance is made for an appropriation of $1,500,000, as a reserve against possible decline in inventory values, out of 1948 profit.

Production costs were higher and tonnages of bleached sulphite pulp and corrugated board sold lower. Tonnage of newsprint was down 1% due to disappearance of demand by U. S. publishers for quarter-size rolls which reduced the "trim" and hence the saleable output of the machines.

Lower sales of the subsidiary Provincial Paper Ltd. reflect the disappearance, due to dollar shortages, of the market outside North America for fine papers. Due to the low price for unbleached sulphite pulp, manufacture of this product at the Sault Ste. Marie mill was discontinued in August.

On Aug. 1, all the prior preferred shares were retired and in November a policy of gradual retirement of the preferred shares was put into effect. Dividends on the common shares were the first in over 20 years. A dividend of 50c a share was paid Jan. 1, 1950, and President D. W. Ambridge states that it is hoped to maintain quarterly common dividends at this rate throughout the year.

Liquid position is greatly improved as a result of the sale, for $5 millions of Kaministiquia Power Co. and a substantial reduction in inventories.

Total amount of preferred shares redeemed and cancelled was $3,069,520 and this amount was transferred from earned surplus to capital surplus pending issue of S.L.P. reducing the authorized capital stock.

Major restoration and improvement of physical assets has been completed, but at least the amount set aside for depreciation should be spent each year on maintenance, it is stated. Mr. Ambridge reports that the new grinder room, screen room and wood room at Iroquois have been in successful operation for several months and that, with the completion of the power house, the whole project will be in final form by April, 1950. A new chemical plant at Sturgeon Falls and a new wood room at Sault Ste. Marie were put into operation.

This is the first year that the reports of Abitibi Power & Paper Co. and Provincial Paper Ltd. have been consolidated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$84,677,709	$87,756,852
Total income	24,233,461	26,571,438
Less: Depr. & depl.	5,118,241	4,464,018
Bond int.	1,393,876	1,499,499
Inventory res.	......	1,500,000
Bond disc. & exp.	100,397	153,697
Subsid. divds.	40,000	40,000
Inc. tax	7,800,000	8,643,638
Net profit	9,780,947	10,270,386
Less: Pr. pref. divd.	62,500	125,000
Pref. divd.	2,054,105	2,092,908
Com. divd.	1,861,927	......
Surplus for year	5,802,415	8,052,678
Times Bond Interest Earned:		
Before depr., depl.	17.39	17.72
After depr., depl.	13.71	14.74
Earnings per Share and Dividend Record:		
$2.50 pr. pref.	†	$205.41
Paid	‡$1.25	2.50
$1.50 pref.	7.52	7.27
Paid	1.50	1.50
Common	6.17	6.48
Paid	1.50	....

†Redeemed Aug. 1, 1949.
‡Not including 21c paid on redemption.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bonds	$5,043,027	$954,812
Accts. rec.	8,998,783	9,488,032
Inventories	25,688,899	30,772,987
Total curr. assets	39,730,709	41,215,831
Prepaid exp.	932,950	608,464
Misc. assets	1,264,045	1,200,188
Fixed assets*	93,102,636	94,249,234
Total assets	135,030,340	137,273,717
Bank loan	......	2,000,000
Accts., etc., pay.	7,879,087	7,806,963
Taxes pay.	5,495,742	5,710,660
Bonds due	1,918,000	2,387,000
Total curr. liabs.	15,292,829	17,904,623
Reserves	4,500,000	4,579,536
Funded debt	36,914,500	39,565,500
Subs. cap. stk.	1,000,000	1,000,000
Capital surplus	3,069,520	......
Capital stock	51,777,215	54,846,733
Earned surplus	22,476,276	19,377,323
*After depr. and depl. of	59,148,751	59,483,686
Working capital	24,437,880	23,311,208

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Congratulations! Now that you're a "proud pappy" I felt it a good time to give you this watch. It was your grandfather's. You never knew him . . . he died when I was only six. His death was a tragic blow to us . . . but, little did we realize the full extent of our loss.

The next 12 years were a struggle. My mother had to go back to work, until my sister and I were old enough to help support her. Dad never meant it to be that way . . . he simply neglected to provide **adequate protection** in case he died.

This watch, with your photo in the cover, has always reminded me to make sure that your happiness . . . your education . . . your chances in life were protected with **adequate insurance.**

Son, let this watch remind you too, that your Norwich Union Life representative is a very "close friend". He is personally interested in the welfare of your family . . . so, be sure to let him work out a low-cost program of **adequate insurance** for you.

Don't make the mistake my Dad did . . . he put it off until **too late!**

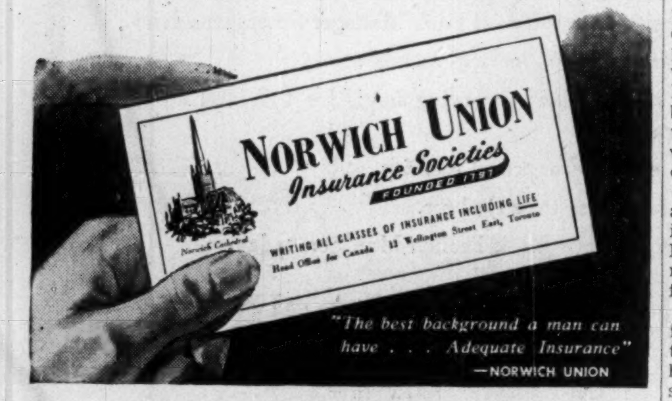
As ever,

Dad

It can happen anytime

Even careful persons like yourself usually experience a Fire . . . a Burglary . . . or any one of the many Unforeseen Hazards that jeopardize your happiness. *Now is the time to review your program* with a Norwich Union agent . . . learn how surprisingly little you need pay for adequate protection. Norwich Union agents take a personal interest in your particular problems . . . and remember, there is no obligation!

93



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What Do Residence, Domicile Mean? Court View Important in Insurance

What is meant by such common words as domicile or residence in an insurance policy? Everybody knows in their own mind what they mean by these terms. But if an insurance claim comes up what interpretation will the courts put on either term?

In a bulletin prepared recently for the Inland Marine Claims Association in the United States, Harold S. Daynard, independent adjuster in New York, stated that defining even the word "home" for insurance purposes is difficult. Mr. Daynard is chairman of the claims association law committee. His remarks while based on United States law and custom are believed applicable to Canada to a large extent.

To the insurance man, the problem of domicile and residence has special importance. The terms "domicile" and "residence" crop up significantly time and again in policy clauses.

The personal effects floater for example, which is intended primarily for tourists and travelers, excludes coverage while on the premises of the domicile of the assured. The jewelry and fur floaters are designed to insure property belonging to persons residing together and therefore insure only members of assured's family "of the same domicile."

Personal Property Floater

The personal property floater uses the term "residences" in the extension, limitation and exclusions and the construction of that term is a very pertinent factor in delimiting or enlarging its coverage.

In none of the policies are either of the terms defined.

If "domicile" and "residence" had simple definitions, you would probably find them in the policies. But they haven't. Perhaps this is so because the two words do not refer only to where the person lives, but also to his intent with respect to remaining there. Moreover, in law, such intent can be inferred only from the individual's acts and declarations, which often are diverse and inconclusive.

This difficulty was recognized a long time ago, when in a leading English case Lord Chancellor Hatherly refused to add "to the many ineffectual attempts to define domicile."

Another eminent jurist went so far as to say, "No accurate definition of domicile can be found or hoped for." One impatient judge said, "By 'domicile' we mean home, the permanent home, and if you do not understand your permanent home, I am afraid that no illustration * * * will very much help you to."

British Opinions

An oft-quoted definition of "domicile" emanates from the writings of Phillimore, a British jurist:

"It must be admitted that among the various definitions to be found among publicists, none are completely satisfactory. Perhaps the American judges have been the most successful in their attempts, and from a combination of their dicta upon different occasions we may arrive at a tolerably accurate definition in designating it 'a residence at a particular place, accompanied with positive presumptive proof of an intention to remain there for an unlimited time.'"

Somewhat plainer is a definition offered by Lord Kindersley:

"That place is properly the domicile of a person in which he has voluntarily fixed the habitation of himself and his family, not for a mere special and temporary purpose, but with a present intention of making it his permanent home, unless and until something (which is unexpected or the happening of which is uncertain) shall occur to induce him to adopt some other permanent home."

Courts have often said "domicile" and "residence" are synonymous. But when they did, they meant that when used in a particular statute or document one of these words really meant the other. Few, if any, courts ever held that "domicile" and "residence" always mean the same thing. In a dramatic demonstration of the chaos among judges in this connection, one writer collated 100 decisions of courts of this country which held that "residence" and "domicile" are synonymous and an equal number of decisions directly contrary.

Question of Permanency

The distinction between the words has pivoted around the permanency intended with respect to a place of abode. Domicile has been linked with the place one lives with no present intention of leaving. Residence has been construed to denote a temporary place of abode for a special purpose. One judge puts it this way:

"The essential distinction between residence and domicile is this: the first involves the intent to leave when the purpose for which he has taken up his abode ceases; the other has no such intent, the abiding is animo manendi. One may seek a place for purposes of pleasure, of business or of health. If his intent be to remain it becomes his domicile; if his intent is to leave as soon as his purpose is accomplished, it is his residence. Perhaps the most satisfactory definition is that one is a resident of a place from which his departure is indefinite as to time, definite as to purpose; and for this purpose he has made the place his temporary home."

We have seen that domicile has generally been defined as one's principal place of abode where he intends to remain for an unlimited time. Why should a definition so apparently simple stir so much trouble? If intent is the major criterion of domicile, why shouldn't it be easy to ascertain the dweller's intent? Why not ask him? The answer obviously is that, because of conflicting interests, it is preferable to apply those criteria of the dweller's intent, which fortunately, have been more or less classified and accepted by the courts.

Physical Presence Essential

Physical presence alone does not determine domicile but it is a necessary requisite for domicile. No length of residence without domiciliary intent can effect a domicile. In other words, if one leaves his home and solely for his health stays at another place of abode for a long period of time, his domicile is nevertheless deemed unchanged in the absence of further evidence of a contrary intent. However, physical presence is the first ingredient of domicile, and long continued residence has by some courts been accepted as evidence of an intent to acquire a domicile.

Past statements made by the dweller as to his residential intention are usually admitted as evidence by the courts. When one moves from one place of abode to another, any declarations made spontaneously by him at the time which would tend to prove whether the change was permanent or temporary, will be heard by the courts.

The weight given to such declarations as evidence will of course depend upon the extent to which they are corroborated by the acts and conduct of the dweller. For example, if one announces a change of domicile but retains his old place of abode, and fails to remove his effects or his family therefrom, or to discontinue the exercise of political rights in the community and maintains business relations there, his acts from the legal standpoint will speak louder than his words. Where acts and declarations are inconsistent the former control.

Assessed For Taxes

The fact that one is assessed for taxes in a certain locality is no evidence that he is domiciled there. Assessment is ordinarily made by local officials without scrutiny of the inhabitant's domicile and therefore carries no weight when a controversy involving domicile arises. But the fact that a resident acquiesced in an assessment, is some evidence of his residential intent; conversely, his objection to an assessment on the grounds of nonresidency is a fact to consider in determining his residence or domicile at that time.

The place of birth does not determine one's domicile. At birth, one takes the domicile of his parents and retains it until changed by him after he comes of age. The parent's domicile is of course not necessarily the place where their child has been born, as it would not be, if they were on a journey at the time.

Location of Business

The location of one's business is a factor to be taken into account in determining "domicile," but if it is in a place other than where one lodges, sleeps and keeps his family, then the latter controls.

Very slight weight is attached to the place of death as evidence of domicile. To determine the relationship between place of death and "domicile," the other criteria must be taken into account.

Recitals in deeds as to one's residence has been mentioned in a number of decisions as bearing on the question of "domicile." But rarely are they deciding factors. Such recitals in wills are given great weight.

It is well settled, as a general rule, that a man's "domicile" is where his wife and family live, rather than where he is engaged in business.

CERTIFICATE OF REGISTRY

NOTICE is hereby given that the Mutual Implement and Hardware Insurance Company has been granted Certificate of Registry No. C-1206 by the Dominion Insurance Department authorizing it to transact in Canada the business of Personal Accident Insurance and Sickness Insurance in addition to the classes for which they are already registered.

CERTIFICATE OF INSURANCE

Notice is hereby given that Certificate of Registry No. C 1208 has been issued to the Fire Association of Philadelphia (Philadelphia, Pa.) authorizing it to transact in Canada the business of FIRE INSURANCE, AIRCRAFT INSURANCE, excluding insurance against liability for loss or damage to persons or property caused by an aircraft or the use or operation thereof, AUTOMOBILE INSURANCE, excluding insurance against liability for loss or damage to persons or property caused by an automobile or the use or operation thereof, INLAND TRANSPORTATION INSURANCE, PERSONAL PROPERTY INSURANCE, REAL PROPERTY INSURANCE and, in addition thereto, Civil Commotion Insurance, Earthquake Insurance, Falling Aircraft Insurance, Impact by Vehicles Insurance, Limited Hail Insurance, Limited or Inherent Explosion Insurance, Sprinkler Leakage Insurance, Water Damage Insurance and Windstorm Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

J. J. Kilgour, chief agent in Canada. Toronto, Ont., March 2, 1950.

CIL Montreal Exhibit Shows Chemistry Role

MONTREAL (Staff) — A new permanent exhibit centre and information centre was opened last week by Canadian Industries Ltd. on the ground floor of the C.I.L.-owned Confederation Bldg., 1253 McGill College Ave., Montreal.

Purpose is to acquaint the public with the role chemistry plays in the domestic and commercial life of a nation. This will be achieved in some measure by replacing displays every three weeks to keep the ever-changing panorama of the Canadian industrial scene before the public, it is stated.

A receptionist will be in attendance to answer visitors' queries. The exhibit will be an educational rather than a sales display.

DOMINION TEXTILE CO.'s transfer agents have advised the Montreal Stock Exchange that there were a total of 2,540,723 common shares outstanding as of Feb. 28, 1950.

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PRESIDENT

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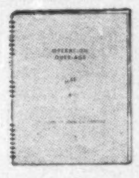

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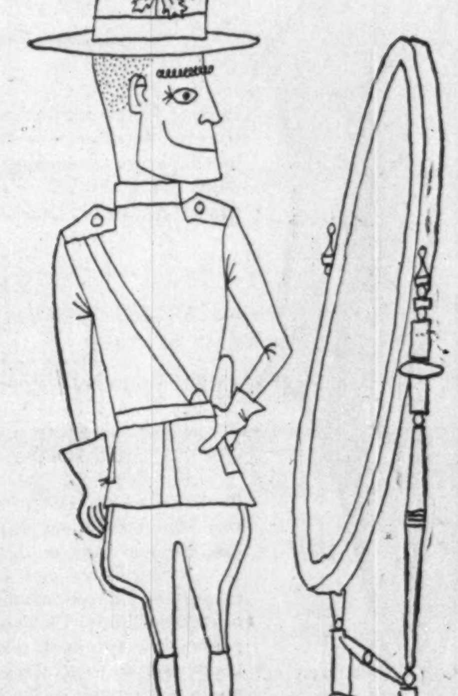

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P9-10

What Changes Needed in Federal Taxes?

Here's Chamber of Commerce View on Major Questions

Here is a digest of the brief on Canada's fiscal policy and taxation, presented to the Federal Government this week by the Canadian Chamber of Commerce:

Because business bodies are sometimes critical of specific aspects of taxation and expenditures, it need not be inferred that there is no area of agreement in government and business thinking on fiscal subjects.

On the contrary any impartial review of Canadian government finance since the end of World War II must emphasize the progress that has been made in reducing the public debt and in removing some of the obstacles to trade and investment. Quite apart from the larger exemptions and lower rates applicable to personal income tax, there have been other noteworthy examples by way of dividend credits and lower corporation tax rates for small businesses. The Canadian Chamber of Commerce believes that such relief is in the right direction and, if extended, can exercise an important influence in sustaining employment and investment.

With the maintenance of the national income at a high level in 1949 it will be observed that tax concessions applicable to that year did not impair government revenues in any substantial way. Indeed, the experience after World War I is indicative that tax reductions, properly timed, may be an important incentive in maintaining a high level of business activity and employment. On the other hand, it is disquieting to note that budgetary expenditure has ceased to decline and 1949 is the first peace year to produce a substantial increase in this item.

We submit, therefore, that while it is still practicable the Government of Canada should take steps to reduce still more the burden of direct and indirect taxation.

Other Recommendations

In addition to these proposals for a review of taxation and debt policy, the Executive Council also respectfully submit the following recommendations:

Federal-Provincial Tax Relations — In view of the need for alleviating the present unsatisfactory state of uncertainty as to taxation, the Chamber favors the calling of a new Federal-Provincial Conference for the purpose of revising the present agreements with the Provinces in a manner acceptable to all Provinces and to the Federal Government. In any such conference called, the welfare and financial stability of municipalities should be recognized as a national concern and the financial position of the municipalities should be considered. The conference should review the present levying of taxes with a view to a more equitable distribution of the incidence of taxation necessary for meeting the financial requirements of the municipalities.

Double Taxation of Corporate Earnings — The Chamber notes with favor the recognition in last year's federal budget of the duplication involved in the tax on corporate profits and the income tax on dividends, and the steps taken toward its elimination by the allowance of a tax credit equal to 10% of the dividends received from all classes of shares, both common and preferred. The Minister of Finance proposed this measure as a "first step" in the elimination of double taxation, and the Chamber urges that the duplication be eliminated entirely.

Equality of Taxation — The Chamber reiterates its belief in the principle of equal taxation of all business enterprises, regardless of the nature of ownership, whether such forms constitute corporation or co-operative enterprise and whether privately, publicly or governmentally owned.

Income Tax Act

Section 9(6) — Undistributed Income, and Section 9(8) Actual Payment of Dividend — These two sections provide first that the Minister may require a corporation to distribute income which in his opinion exceeds what is reasonably required for the purpose of business and, secondly, that unless a dividend is actually paid within 90 days, a shareholder will be taxed a second time on the dividend when distributed, thus producing double taxation.

The first point is an unwarranted transgression of the right of corporation officials. The 90-day period allowed for distribution of dividends is insufficient for the corporation to establish to the satisfaction of the Court that its undistributed income does not exceed what was reasonably required for the business. Accordingly, we strongly urge that Sections 9(6) and 9(8) be deleted.

Section 36 (2)—Related Corporations — This section provides that only one of a group of related companies will receive the benefit of the first $10,000 of its income being taxed at 10%. First, we recommend that the definition of related companies as set out in Section 36(4) be clarified. Secondly, we urge that this section be amended to provide for its application only to those corporations that were incorporated subsequent to Dec. 10, 1949.

Section 48 (1)—Payment of Remainder — This section compels a taxpayer to pay assessed tax, interest and penalties, within 30 days of assessment, whether or not an objection to or an appeal from the assessment is outstanding. We urge that this section be amended to provide for the withholding of tax payment until the appeal has been heard.

Section 58 (Trusts, etc.) — Section 58 of the Income Tax Act does not deal specifically with income accumulating in an estate or trust. The substance of subsections 4, 5 and 6, however, is such that an estate or trust income not payable to a beneficiary in the taxation year earned and which is accumulated or capitalized, is taxable in the hands of the trustees.

We submit that an exception to this general rule should be made where a fund is being accumulated for the ultimate benefit of a charitable institution, either through the payment of the fund itself or through the payment in perpetuity of the income from the fund as in the case of various hospital endowments.

We recommend, therefore, that an exemption from tax should be provided for such cases by the addition of sub-section 7 to section 58 as follows:

"Notwithstanding anything contained in this Act, no tax is payable under this part in respect of income of a trust or an estate which will ultimately be payable to or applied for the benefit of any of the persons mentioned in Section 57(e)."

Endorsements of Previous Recommendations

The following recommendations submitted in 1948 and 1949 are reiterated:

Income Tax Appeal Board—To a large extent the discretionary powers of the Minister under the Income War Tax Act have been replaced in the Income Tax Act by rules of law dependent upon question of fact.

For the Appeal Board to carry out its functions in a thoroughly efficient manner, it must be constituted with the following characteristics:

(a) It must be large and flexible enough to deal with the cases before it without undue delay and with a minimum of expense to the taxpayer.

(b) It must be well qualified from the standpoint of business and commercial practices.

The Income Tax Appeal Board as presently constituted is not capable of functioning in the best interests of the taxpayer and of the Revenue Department and it is urged that the present constitution be replaced by that enacted in the 1946 legislation.

Section 11(1)(c) — Interest — There should be allowed as a deduction such annual amount for interest on bonds, debentures and other such obligations which will represent the true cost of servicing these forms of borrowed money. Such annual amount allowed should not be confined to the coupon rate but should also take into account the discount or premium and expense on sale of the bonds or debentures spread over the term of the obligation.

Where an issue of bonds or debentures is refunded involving a premium to retire an existing issue, such premium should similarly be taken into account in arriving at the true annual interest cost of the refunding issue.

Section 12(1)(e)—Reserves — Most businesses have found by experience that it is necessary, in order to ascertain the net profits for the financial year, to make provision for certain costs and expenses, the amount of which cannot be definitely determined at the time of closing the accounts. Such provisions are frequently disallowed as an expense for tax purposes on the grounds that they are reserves, despite the fact that they are made in respect of expenses which would be deductible when incurred.

It is considered desirable that in so far as it is possible the computation of income for tax purposes should conform to generally accepted accounting practices and that, to the extent that they are reasonable, provisions of the nature outlined above should be permitted as a deduction in computing income under the Act.

Section 14(2)—Inventories — Regrets that its recommendation that the area of discretion provided by the Regulations contemplated under this Section be removed were not adopted.

Section 26(a)(1) — Charitable Gifts — Recommends that charitable donations disallowed because they exceed 5% of a business income subject to tax for a taxation year, should be transferable to the previous year or the next three succeeding years.

Section 42(4)—Limitation on Period for Assessment — The right of the Department of National Revenue to assess or reassess a taxpayer, except in case of fraud, should be limited to a period of two years from the due date of the return, or the date of filing, whichever is the later, and an additional year be allowed the Department if such a time-limit comes into effect in the current fiscal year.

Section 65—Scientific Research —This Section restricts deductible expenses in respect of scientific research to those expenses "made in Canada." The United States and Great Britain, in particular, are better able to carry out extensive and complicated scientific research than is at present possible in Canada without heavy capital expenditure or the maintenance of a large body of scientific experts.

It is contended, therefore, that a taxpayer should be allowed any reasonable sum he chooses to lay out on scientific research associated in the broadest sense with his general line of business and for that reason, the words "made in Canada," should be excluded from Section 65.

Section 75—Consolidated Returns — The requirements of this Section whereby a corporation, which elects to file a consolidated return, is called upon to pay an additional tax at the rate of 2% of the consolidated taxable income is, in our opinion, an unfair discrimination against such a taxpayer. This is more especially true in the light of the provision which now allows companies which file separate returns to carry over losses incurred in other years. Therefore, it is submitted that companies filing consolidated returns should be taxed at the same rate as individual companies.

Sections 125 and 126—Tax Evasion — It is to be regretted that these sections have been carried through into the Act despite the recommendations made by a number of bodies that they be deleted from the Bill. The Executive Council is strongly of the opinion that the sections in question are an undesirable form of legislation and they should be deleted from the Act.

GOVERNMENT OF CANADA RECEIPTS AND PAYMENTS (1)
(Calendar Years, in Millions of Dollars)

	1946	1947	1948	1949
BUDGETARY ITEMS—				
Ordinary Revenue	2,466	2,620	2,585	2,574
Special Revenue	743	386	183	77
Budgetary Expenditure	—3,451	—2,255	—2,128	—2,367
Budgetary Surplus	— 242	751	640	284
NONBUDGETARY ITEMS—				
Postwar Loans to Foreign Governments (net)	— 750	— 563	— 126	— 107
Loans to Foreign Exchange Control Board	— 90	770	— 520	— 125
Other Items (net)	152	5	211	.236
Over-all Surplus Available for Domestic Debt Retirement (net)	— 930	963	205	288

(1) Bank of Canada—Annual Report to Minister of Finance and Statement of Accounts for 1948, 1949.

T. J. HARRISON

Who has been appointed resident manager for the Winnipeg office recently opened by McLeod, Young, Weir & Company Limited, Investment Dealers.

Mr. Harrison is a native of Winnipeg and is well-known in the city's financial and business community, having been engaged in the insurance, general finance and investment business for the past twenty years.

Waterous to Make New Road Roller, Business Picks Up

Waterous Ltd., Brantford, Ont., has started to manufacture a new road roller, The Financial Post is told. The first five machines are expected to be ready for the road about the end of May.

This new line is expected to be a valuable addition to the Waterous production.

Business has shown an upward turn since last fall and the outlook for 1950 is quite encouraging, particularly in increased activity noted in the newsprint business and the prospects of considerable highway development, The Post is told.

While final figures for 1949 are not yet available net earnings were down from 1948 when the company had a net profit of $248,649 or equivalent to $6.55 a Class "A" share and to $2.19 a common share.

Here's How Canada Fares In Manoeuvres of Wheat

OTTAWA (Staff)—Canada and United States are supporting a sliding scale allocation of German-Jap wheat imports at the contentious International Wheat Agreement discussions being held in London this week.

For Canada, this would mean no share of Jap business under the terms of agreement in the present crop year. For 1950-51 we would get 8 million bushels; in 1951-52 about 20 million and in 1952-53 a total of 27 million bushels.

This is the basis of agreement reached between Canada and U. S. authorities during the recent visit of Hon. Charles F. Brannan to Ottawa. It represents a compromise solution to Canada's demand that she be cut in on the 100-million-a-year wheat import requirements of Germany and Japan which are now under review by the council of nations comprising members of the International Wheat Agreement.

Reason for the compromise is the U. S. objection that she cannot permit the German-Jap wheat market to be thrown open to world exporters when it is U. S. funds that are underwriting these countries and paying the bill.

But underneath these Canada-U. S. discussions there is the larger and more difficult problem of British objection to entry of Japan into this agreement (F.P., Jan. 28, 1950).

The British are fighting any plan which would admit Germany and Japan into the agreement on an "unconditional acceptance" basis.

Under unconditional membership, Japan would be free to buy Australian wheat for dollars, thus diverting wheat from the sterling area and upsetting the balance of dollar-sterling supplies. It would mean that the sterling area would lose that amount of wheat from within its own orbit and would be forced to buy a proportionate amount for dollars to make up the difference.

If the proposed Canada-U. S. compromise is considered next week, it is likely that Australia would also be "cut in" on a sliding scale for some of the Jap-German market.

The new proposal would, in effect, "tab" Jap and German wheat demand and allocate it to specific sellers. That would be a new and controversial idea which may have important implications for the whole agreement itself.

Meanwhile new figures bearing on the rising glut of wheat in the U. S. indicate the seriousness of that country as a competitor with Canada.

The U. S. carryover on June 30 is now estimated to be 425 to 450 million bushels. This compares with 307 million bushels carryover on June 30, 1949, and 196 million bushels at the same date 1948.

MOSHER LONG LAC GOLD MINES has received payment for March 2 installment of 100,000 shares at 30c a share under agreement with E. C. MacLeod. Issued capital is 2,390,814, leaving 609,186 in treasury.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL NICKEL CO. earned only $2.08 a share in 1949 against $2.55 in 1948 because "increases in costs added substantially more to total costs of all metals sold than we received during the year by reason of the upward adjustments in the price of nickel." This is revealed in the joint annual report statement of Chairman Robert C. Stanley and President John F. Thompson.

Lower prices prevailed for both copper and platinum metals while volume of nickel products sold was only 209.3 million lb. against 240.1 million lb. in 1948.

Sales in the early months of 1949 had been ahead of the record peacetime rate of 1948. After that they fell sharply, followed by a good recovery in the latter part of the year.

After mining 9,984,891 tons of ore during the year (10,866,862 tons in 1948), ore reserves amounted to 251,805,000 tons at the end of 1949, an increase of over 5.6 million tons from the 246,177,000 tons reported a year earlier. Nickel-copper content of reserves stands at 7,630,000 tons, compared with 7,503,000 tons at the end of 1949 and 7,171,000 tons at the end of 1947.

Capital expenditures for 1950 are estimated at $22 millions against $18,553,851 for 1949, $14,080,479 for 1948. Main items in 1950 are further expenditures to prepare for enlarged underground mining following completion of open pit work at Frood-Stobie, to finish construction of plant and equipment for oxygen flash smelting of copper concentrates and to provide for employee housing.

"As we change from a seller's market to a buyer's market, it is a satisfaction to know that we are well prepared to meet this great difference in our metal business," officials declare.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Net sales	182,806,452	197,021,736
Less: Costs & exp.	122,196,760	124,774,705
Net op. prof.	60,609,692	72,247,031
Add: Other inc.	1,245,736	1,307,574
Net earnings	61,855,428	73,554,605
Less: Tax res.	17,975,014	20,157,931
Depr. & depl.	8,195,037	7,923,487
Retire. res.	3,433,063	3,364,783
Other res.	......	3,000,000
Net profit	32,252,314	39,108,404
Less: Pf. divds.	1,933,899	1,933,899
Com. divds.	29,156,338	29,156,338
Surplus for year	1,162,077	8,018,167
Earnings per Share and Dividend Record:		
Pref.: Earned	117%	142%
Paid	7%	7%
Com.: Earned	$2.08	$2.55
Paid	1.60+0.40	1.60+0.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & dep.	$61,497,855	$73,009,365
Govt. secs.*	12,915,000	23,505,818
Accts., bills, rec.	17,094,398	18,242,644
Inventories	68,804,660	66,056,185
Total curr. assets	160,311,913	180,814,012
Rec. from USSR‡	5,833,250	8,166,550
Prep. ins., etc.	176,649	320,376
Ret. res. secs.†	6,663,284	9,112,074
Misc. invests.	499,754	705,596
Properties▲	134,535,289	124,176,475
Total assets	308,020,139	323,295,083
Accts. pay.	8,386,386	10,950,832
Taxes pay.	14,028,197	17,854,022
Pref. divd. res.	483,474	483,474
Total curr. liab.	22,898,057	29,288,328
Retire res.	6,663,284	9,127,189
Cont. ins. res.	10,758,719	18,341,564
Pref. stock	27,627,825	27,627,825
Com. stock	60,766,771	60,766,771
Capital surplus	60,606,500	60,606,500
Earned surplus	98,698,983	97,536,906
Surp. re Finland property	20,000,000	20,000,000
▲After depr. & depl. of	159,810,150	152,263,636
*Mkt. value	12,887,000	23,421,000
†Mkt. value	6,663,000	9,125,000
‡Finland prop. trans. to USSR in 1944.		
Working capital	137,413,856	151,525,684

Grain Prices

Chicago Futures

Week to Mar. 13, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Mar. 13
		Wheat—			
2.32	1.86	Mar.	2.32	2.24¼	2.28
2.20	1.19¼	May	2.20	2.16⅛	2.19¼
1.99¼	1.84	July	1.99¼	1.94¼	1.96¼
1.99¼	1.86½	Sept.	1.99¼	1.95	1.96⅜
2.01¼	1.88½	Dec.	2.01¼	1.97	1.98⅜
		Corn—			
1.33⅜	1.13½	Mar.	1.31⅜	1.29⅜	1.30¼
1.33⅜	1.13½	May	1.31½	1.29⅞	1.30⅜
1.31½	1.19	July	1.30½	1.29¼	1.29⅜
1.28⅜	1.17¼	Sept.	1.26¼	1.25¼	1.26¼
1.18⅜	1.10⅞	Dec.	1.18⅜	1.17¼	1.18
		Oats—			
.76¼	.62⅞	Mar.	.76¼	.70⅜	.75¼
.73⅜	.59⅜	May	.72¼	.63¼	.71⅜
.67¼	.56¼	July	.64¼	.63¼	.63⅜
.66⅜	.59⅜	Sept.	.63⅛	.62¼	.63
.64⅜	.61¼	Dec.	.64⅜	.63⅜	.64⅜
		Rye—			
1.59½	1.25⅜	May	1.36¼	1.31¼	1.32¼
1.52⅜	1.26⅜	July	1.38	1.33⅜	1.34¼
1.47	1.28¼	Sept.	1.39¼	1.35⅞	1.36⅜
1.42¼	1.31⅜	Dec.	1.42¼	1.38⅜	1.40
		Soybeans—			
		Mar.	2.48¼	2.41¼	2.45⅜
		May	2.45¼	2.41⅜	2.44¼
		July	2.40¼	2.36⅜	1.38¼
		Nov.	2.00	1.95¼	1.97¼
		Jan.	2.01	1.98¼	1.98⅞

Chicago Cash

	For Week Mar. 13 High	Low	Prev. Week High	Prev. Week Low
Corn—				
2 Yel.	1.37	1.35	1.38½	1.35¼
Oats—				
1 H. Wh.	.83	.78	.79¼	.77¼

Winnipeg Futures

Week to Mar. 13, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Mar. 13
		Oats—			
.86⅜	.69¼	May	.86⅜	.84¼	.86⅜
.82¼	.72¼	July	.82¼	.80	.80⅞
.76¼	.70¼	Oct.	.76¼	.74⅞	.75⅜
		Barley—			
1.45⅞	1.09¼	May	1.32¼	1.28¼	1.32¼
1.41¼	1.09⅞	July	1.21⅛	1.19¼	1.21
1.13⅞	1.01¼	Oct.	1.13⅞	1.00⅜	1.11
		Rye—			
1.64	1.42½	May	1.49¼	1.45¼	1.46⅞
1.60⅞	1.36¼	July	1.48⅜	1.45	1.46¼
1.45¼	1.33¼	Oct.	1.45¼	1.40⅞	1.42⅜
		Flax—			
3.78	2.62	May	3.77¼	3.77	3.77
3.79	3.48	July	3.72	3.71¼	3.72
3.42	3.27	Oct.	3.28	3.28	3.28

Winnipeg Cash

	For Week Mar. 13 High	Low	Prev. Week High	Prev. Week Low
Oats—				
2 C. W.	.92⅜	.90	.89⅞	.87¼
3 C. W.	.90⅜	.87¼	.87¼	.84⅜
Barley—				
1 Feed	1.29¼	1.25⅞	1.25⅜	1.22¼
2 Feed	1.28¼	1.24⅜	1.24⅜	1.20¼
1 Malt	1.57¼	1.47⅜	1.47⅜	1.44¼
Rye—				
2 C. W.	1.46	1.43⅜	1.43⅞	1.40⅜
Flax—				
1 C. W.	3.74	3.73	3.77	3.75

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 270

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the quarter ending 29th April, 1950. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of May, 1950, to shareholders of record of the 15th April, 1950.

By Order of the Board.

A. C. ASHFORTH, General Manager.

Toronto, 9th March, 1950.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 253

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 29th April, 1950, and that the same will be payable at the Bank and its Branches on and after MONDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 31st March, 1950. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART, General Manager.

Toronto, 10th March, 1950.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable March 16th, 1950, to shareholders of record at close of business March 3rd, 1950.

W. S. BARBER, Secretary-Treasurer.

FOOTHILLS OIL & GAS COMPANY, LIMITED

DIVIDEND NOTICE NO. 9

NOTICE is hereby given that a Dividend of Twelve and one-half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on FRIDAY, the 17th day of March, 1950, and that the said dividend will be payable on or after SATURDAY, the 1st day of April, 1950.

The Register of Transfers will be closed from the close of business on FRIDAY, the 17th day of March, 1950, until the opening of business on MONDAY, the 20th day of March, 1950.

By Order of the Board.

J. W. MOYER, Secretary.

CALGARY, Alberta. February 25th, 1950.

Shares of the Company are transferable only at the Head Office of the Company, 232 Lougheed Building, Calgary, Alberta.

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)

Notice of Dividend No. 51

Notice is hereby given that an Interim Dividend of two cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of April, 1950, to shareholders of record at the close of business on the 31st day of March, 1950.

By Order of the Board.

James Anderson & Co. Ltd., Secretary.

Vancouver, B.C., March 7, 1950.

The Hamilton Cotton Company Limited

Notice is hereby given that a Dividend of 25 cents per share on the outstanding Common Shares of the Company has been declared for payment June 1st, 1950, to Shareholders of Record at the close of business May 10th, 1950.

By Order of the Board,

E. GLOVER HOWE, Sec.-Treas.

Dated at Hamilton, Ontario. March 7th, 1950.

Anglo-Canadian Oil Company LIMITED

NOTICE OF DIVIDEND NO. 11

NOTICE is hereby given that a dividend of ten cents (10c) per share will be paid by Anglo-Canadian Oil Company Limited, on or after the 11th day of April, 1950, to shareholders of record as of the 17th day of March, 1950. Payment is subject to the approval of the Foreign Exchange Control Board.

DATED at Calgary, Alberta, this 2nd day of March, 1950.

By Order of the Board of Directors.

J. W. DICK, Secretary.

TRANSFER AGENTS: Crown Trust Company, Calgary, Alberta

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that the one hundred and fifty-fifth quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending February 28, 1950, on the Preferred Stock of the Company, has been declared payable April 1, 1950, to shareholders of record the 10th day of March, 1950.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Que. February 9, 1950.

MAILMAN CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of twenty-five cents (25c) per share has been declared on the outstanding Common Shares of the Corporation for the quarter ending January 31st, 1950, payable March 31st, 1950, to Shareholders of record at the close of business on March 16th, 1950.

By Order of the Board.

WM. F. MACKLAIER, Secretary.

Montreal, March 8th, 1950.

The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896
Admitted Assets $11,065,614.13
Surplus 4,033,971.64
Dom. Govt. Deposit 3,774,563.39
Write for Financial Statement
Head Office: WAWANESA Man. Eastern Office: TORONTO Ont.
Branches at Vancouver, Saskatoon Winnipeg and Montreal

Letters are the Wings of Business
They deserve the quality and security of an envelope made by Bouvier.
Bouvier ENVELOPES LTD.
250 BOWIE AVE., TORONTO 10
Division of Canadian Pad & Paper Co., Ltd.

DIVIDEND NOTICES

KIRKLAND LAKE GOLD MINING COMPANY LIMITED

(No Personal Liability)

DIVIDEND NO. 31

A semi-annual dividend of two cents per share on the outstanding capital stock of the Company has been declared payable May 1st, 1950, to shareholders of record March 31st, 1950.

Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board,

H. F. CASSIDY, Secretary-Treasurer.

Toronto, February 24th, 1950.

Quebec Power Company

NOTICE is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ending March 31, 1950, payable May 25, 1950, to shareholders of record April 15, 1950.

By Order of the Board,

J. L. T. MARTIN, Secretary.

Montreal, March 8, 1950.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 87

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending March 31st, 1950, payable by cheque dated April 15th, 1950, to shareholders of record as at the close of business on March 31st, 1950. Such cheques will be mailed on April 15th, 1950, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE, Secretary.

Vancouver, B.C. March 2nd, 1950.

NOTICES

MONTREAL TRAMWAYS COMPANY

ANNUAL GENERAL MEETING

Notice is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 20th day of April, 1950. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 31st day of March, 1950, to the 19th day of April, 1950, both days inclusive.

By Order of the Board.

T. D. ROBERTSON, Secretary-Treasurer.

MONTREAL, February 21st, 1950.

Sun Life Assurance Company of Canada

Head Office: Montreal

STOCK TRANSFER DEPARTMENT

Notice is hereby given that a dividend of five dollars ($5.00) per share on the Capital Stock of the Company has been declared for the quarter ending March 31st, 1950, and will be paid on April 1st, 1950, to shareholders of record at the close of business March 16th, 1950.

The Stock Transfer books of the Company will be closed from March 17th to March 31st, both dates inclusive, for preparation of the above dividend.

By Order of the Board,

F. J. CUNNINGHAM, Secretary.

Anglo-Canadian Oil Company LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of Anglo-Canadian Oil Company Limited, will be held in the Palliser Hotel, Calgary, Alberta, on Wednesday, the 26th day of April, 1950, at 11 o'clock in the forenoon for the purpose of receiving and considering the Report of the Directors of the Company, the Balance Sheet and Auditors' Report, electing Directors of the Company, approving the acts of the Directors and Officers for the past year, appointing Auditors and transacting such other business as may come before the meeting.

The Transfer Books of the Company will be closed from the 18th day of March, 1950, to the 11th day of April, 1950, both inclusive.

DATED at Calgary, Alta., this 2nd day of March, 1950.

By Order of the Board of Directors,

J. W. DICK, Secretary.

JAMES RICHARDSON & SONS LIMITED
HEAD OFFICE WINNIPEG MANITOBA
Grain Merchants Shippers and Exporters
OFFICES THROUGHOUT CANADA

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity, 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

Western Grain Co. Ltd.
WINNIPEG — CANADA
COUNTRY ELEVATORS — MAN., SASK. & ALTA.
TERMINAL ELEVATOR — FT. WILLIAM, ONT.
GRINDING PLANTS and FEED MILLS
GRAIN SHIPPERS - EXPORTERS - GRAIN FUTURES

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que. — Vancouver, B.C.

FEDERAL GRAIN LIMITED
AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
WINNIPEG - CALGARY
Country Elevators located in all Prairie Provinces, and Terminals at Fort William, Port Arthur and Vancouver.
Cereal and Forage Seed Plant at Winnipeg.
We invite your inquiries regarding feed and seed grain.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 10

Range 1949-50 High	Low	Div R'te $	Mar10 Y'ld %	Company	Sales	Last Mar. 3	Week end. Mar. 10 H	L	Cl'se
25	9¾	†1.00	..	Abitibi	23168	24	25	23¾	24¾
23¾	16	1.50	6.5	Do. $1.50 pref	5090	23¼	23¼	23	23¼
25	19¼	1.00+•1.15		Acadia At A	905	24¼	24¼	24	24
15	7	•.50	...	Acme Glove	225	10	10	9¼	9¼
9¼	7¼	.60	6.7	Agnew Surp.	270	8¾	9	8¼	9
15	12¾	.	...	Algoma Steel	10585	14¾	14¾	14¾	14¾
27	25	1.00	3.7	Alum of Can p	145	27	27	26¾	26¾
61¼	40¾	2.40	4.2	Aluminium, n.	1474	57¼	58¼	57	57
48¼	42¼	2.25	4.9	Ang Can Tel p	25	46	46¼	46	46
18	14	•1.00	..	Ang. Nfld.	375	15	15¼	15	15¼
8	5¼	.60	7.6	Argus	1765	8	8	7¾	7¾
.25	.05	.	...	Do. Warr.	400	.20	.17	.13	.13

Range 1949-50 High	Low	Div R'te $	Mar10 Y'ld %	Company	Sales	Last Mar. 3	Week end. Mar. 10 H	L	Cl'se
6	3	.	...	For. Pr. Secs. p	10	5	5	5	5
31	24	1.40+†.50		Foundation Co.	1255	29¼	31	29	31
28¼	17¼	2.00	7.8	Fraser Cos.	1695	25¼	25¾	25¼	25¼
99¾	96¼	4.75	4.8	Do. pref.	70	99	99	99	99
19	15	1.20	6.5	Gatineau Pwr.	1255	18¼	18¾	18¼	18¼
108	100¼	5.00	4.6	Do. pref.	225	107	108	107	108
111	108¼	5.50	5.0	Do. 5½%	10	111	111	111	111-
3.00	1.55	.	...	Gen. Bakeries.	1500	2.85	2.95	2.85	2.85
20	13	†.50	...	Gen. St. Wares	2595	19¾	20	19¾	19¾
103	80	†1.00	..	Goodyear Tires	50	95	95	93½	95
53¼	50¼	2.00	3.8	Do. pref.	135	53	53	52¼	52¼
10¾	9¼	.50	5.0	Gor MacKay A	75	10¼	10	10	10
20	17¼	1.00	5.3	Grafton A	25	19	19	19	19

Range 1949-50 High	Low	Div R'te $	Mar10 Y'ld %	Company	Sales	Last Mar. 3	Week end. Mar. 10 H	L	Cl'se
16¼	14¼	.	...	West Can Brew	416	16	15¾	14¼	14¼
35	29	2.00	6.5	West Grocers A	285	33¼	33	31	31
9	8¼	.50	5.5	Westmin'r P A	50	8¼	9	9	9
26¾	20¼	1.00	4.0	Weston, George	275	24¾	25	24	24¾
101¼	90¼	4.50	4.5	Do. 4½% pf.	15	101	100½	100½	100½
19	12	.	...	Windsor Hotel.	75	16	16	15¼	16
38	27	•1.40	...	Winnipeg Elec.	1800	34¾	35	34¼	35
101	97	5.00	5.1	Do. pref.	20	99¾	100	99¾	99¾
20	13	1.60	12.3	Wool Combing.	160	14¾	14¼	13	13
7¼	6¼	.40	6.4	York Knit. A.	100	6¼	6¼	6¼	6¼
3¼	1¾	.	...	Do. (B)	200	2	2	2	2
67	39	2.00+†.50		Zellers	135	63¾	64	62¼	63¾

*On arrears. •N. Y. funds. ••Participating div. *Net after income taxes. •Dividend deferred. ♦After stock split. ▪Paid in 1949. ♦Plus extras. ‡Plus payments on arrears. †Paid or payable in 1950.

Mining Stocks

Week Ended March 10

Range 1949-50 High	Low	Div. Rate $	Mar. 10 Yield %	Company	Sales	Last Mar. 3	Week Ending Mar. 10 High	Low	Close
.61	.35	.....	....	Acadian Uran	6,800	.41	.42½	.35	.35
.85	.55	.....	....	Akaitcho	4,700	.75	.75	.75	.75
.27	.12	.....	....	Amal. Lard.	566	.17	.16½	.16½	.16½
.65	.25	.....	....	Amer. Neph.	3,600	.55	.54	.54	.54
.20	.07	.....	....	Amer. Y.K.	3,500	.08½	.09	.08½	.08½
.71	.16	.....	....	Anacon L'd.	103,900	.70	.70	.59	.61½
10.87½	8.65	†.15	....	Anglo-Hur.	850	10.62½	10.87½	10.75	10.87½

Oil Stocks

Range 1949-50 High	Low	Div. Rate	Mar. 10 Yield	Company	Sales	Last Mar. 3	Week Ending Mar. 10 High	Low	Close
.23	.10	†.01	....	So. Brazeau	20,500	.10	.11	.10	.10
.45	.20	.....	....	So. West Pete	4,000	.35	.35	.30	.30
.38	.15	.....	....	Spooner	10,565	.25	.28½	.25	.26
.20½	.12	§.01½	....	Sunset	9,400	.15	.20	.18	.18½
.53	.29	.....	....	Superior	12,800	.41	.41½	.40½	.41
.51	.29	.....	....	Tower Pet.	25,500	.37	.37½	.36	.36
.26	.08	.....	....	United Oils.	10,610	.19	.19½	.18	.19
.30	.18	.....	....	Vanalta	1,500	.25	.23	.23	.23
.35	.15	.....	....	Vulcan	32,185	.33	.35	.30	.33
.20	.02½	.....	....	Warnet	6,000	.03	.03	.03	.03
.12½	.06	.....	....	York Oils	1,000	.08	.07	.07	.07

* N. Y. funds. ‡ Extra. * Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Mar. 13	115,100	1,109,000	44,750	93,006	1,340,000
Mar. 11	115,000	437,000	21,990	26,650	670,000
Mar. 10	176,900	1,000,000	68,650	66,467	1,570,000
Mar. 9	219,300	805,000	67,297	73,727	1,690,000
Mar. 8	224,700	1,025,000	92,613	44,452	1,690,000
Mar. 7	270,400	1,255,000	89,967	82,620	1,930,000

BUSINESS BAROMETERS

	FEB.	JAN.	DEC.	NOV.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	200.3	200.0	170.2
Dom. total rev.	....	....	199.6	194.6	220.2
MERCHANDISING					
▪Dept. store sales (3)	+6	+4	+5	+3	....
Country store sales (3)	....	....	—1.7	—4.1	....
Retail store sales (3)	....	....	+2.7	+6.1	....
Wholesale sales index (1)	....	....	263.3	306.7	259.9
FINANCE					
Dividend payment index (1) (5)	212.4	213.8	217.8	215.4	215.7
Money supply (millions $)	....	....	....	4,376	4,327
NEWSPRINT CAPACITY					
Production ratio (7)	....	97.2	98.4	101.2	100.9
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	178.5	182.8	157.1	202.9
Cars (D.B.S.) (1)	....	147.2	158.3	151.2	163.0
COST OF LIVING					
D.B.S. (1)	161.6	161.0	161.5	161.7	159.5
EMPLOYMENT INDEX					
All industries (6)	....	....	201.5	202.0	204.3
Payrolls (June 1/41=100) (2)	....	....	223.8	224.2	216.9
MANUFACTURING					
Inventories (1947=100)	....	....	....	125.3	128.0
Employment (6)	....	....	204.2	206.5	204.3

	1949-50	1948-49	1949-50 Jan. 1 to date	1948-49 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week Mar. 4)	71.6	72.7	600.4	650.1	—9.2
C.N.R. gross rev. (Jan.)	35,041	37,309	35,041	37,309	—6.1
C.N.R. net rev. (Jan.)	2,564	1,488	2,564	1,488	+72.3
C.P.R. gross rev. (Dec.)	30,116	31,077	363,252	355,250	+2.3
C.P.R. net rev. (Dec.)	3,116	1,883	20,632	18,419	+11.5
IRON AND STEEL PRODUCTION (000's omitted) (Dec.)					
Pig iron production (tons)	172	174	2,154	2,121	+1.5
Steel production (tons)	264	280	3,187	3,202	—0.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.)	121,523	55,992	1,140	954,082	+19.5
Cement prod., bbls. (Dec.)	1,308	1,054	16,128	14,007	+15.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Jan.)	1,550	1,469	1,550	1,469	+5.5
Flour exp., bbls. (Jan.)	934	1,004	934	1,004	—7.0
Wheat exp., bush. (Jan.)	10,901	13,825	10,901	13,825	—21.2
▪Cattle sales (Feb.) (4)	113.4	94.9	247.5	217.3	+13.9
▪Hog sales (Feb.)	377.1	302.1	735.5	636.4	+15.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Jan.)	76.2	37.1	76.2	37.1	+105.5
Landed value (Jan.)	2.2	1.5	2.2	1.5	+46.6
NEWSPRINT (000's omitted)					
Production (Jan.) (7)	417	421	417	421	—0.9
Exports, tons (Jan.) (7)	403	410	403	410	—1.7
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Jan.)	1,749	1,856	1,749	1,856	—5.7
Gold prod. (fine oz.) (Dec.)	373	327	4,113	3,530	+16.5
▪Petroleum prod. (bbl.) (Nov.)	1,915	1,265	19,704	11,123	+77.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kwh	4,040	3,965	46,673	44,569	+4.7
FOREIGN TRADE (millions of $)					
Imports (Dec.)	213.4	232.0	2,761.2	2,636.9	+4.7
Exports (Jan.)	221.2	237.0	221.0	237.0	—8.0
FINANCE (millions of $)					
Bank debits (Jan.) (8)	7,307	6,929	7,307	6,929	+5.5
Bond sales (Feb.)	586.0	229.5	806.5	399.3	+101.9
Life insurance sales (Jan.)	100.8	106.6	100.8	106.6	—5.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Dec.)	2,512	2,784	36,256	32,407	+11.8
Cigarette cons. (000,000) (Jan.)	1,408	1,262	1,408	1,262	+10.8

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

Company Meetings

1950	Company	Place
Mar. 16	L. McBrine	Kitchener
Mar. 17	Mercantile Ins.	Toronto
Mar. 17	H. Morgan & Co.	Montreal
Mar. 17	Queen City Fire Ins.	Toronto
Mar. 20	Page-Hersey Tubes	Crowland, Ont.
Mar. 2	Goodyear Tire	Toronto
Mar. ?1	Imperial Tob.	Montreal
Mar. 21	Monarch Knit.	Toronto
Mar. 21	Norpick G. M.	Toronto
Mar. 21	Wool Combing Corp.	Toronto
Mar. 22	St. Lawrence Corp.	Montreal
Mar. 22	St. Lawrence Pap.	Montreal
Mar. 23	Cap. Estates	Vancouver
Mar. 24	Corrugated Pap. Box	Leaside
Mar. 24	Nat. Brew.	Montreal
Mar. 24	Renold-Coventry	Montreal
Mar. 27	Bathurst Pr. & Pap.	Montreal
Mar. 27	Lapa Cadillac G. M.	Toronto
Mar. 28	Can. Nor. Pwr.	Montreal
Mar. 29	Can. N.W. Land	Toronto
Mar. 29	Cons. Litho.	Montreal
Mar. 29	Gillies Lake	Toronto
Mar. 30	Preston East Dome	Toronto
Mar. 31	Lake Shore M.	Kirkland Lake
Mar. 31	Macassa M.	Toronto
Apr. 5	Aunor G. M.	Toronto
Apr. 5	Coniagas M.	Toronto
Apr. 5	Fraser Cos.	Edmonton
Apr. 5	Sturgeon Riv. G.M.	Toronto
Apr. 12	Celanese Corp.	New York
Apr. 12	Dom. Tar & Chem.	Montreal
Apr. 13	Abitibi	Toronto
Apr. 20	Asbestos Corp.	Montreal
Apr. 20	Montreal Trams.	Montreal
Apr. 22	Western Grocers	Winnipeg
Apr. 26	Anglo-Candn. Oil	Calgary
Apr. 27	Ind. Accept. Corp.	Montreal
Apr. 27	Regent Knit. Mills	Montreal
May 10	Int. Paper	New York

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$22.88	$22.45	$19.41
Hogs	27.35	27.22	30.60
Copper, lb.	.18½	.18½	.23⅛
Sugar, raw, lb.	.0507	.05	.08
Coffee, lb.	.46¼	.47½	.26½
Hides	.24½	.23½	.24⅛
Weekly Indices			
U. S. Labor	152.0	152.6	159.0
Dow Jones	133.58	134.08	125.91
Fisher's	162.0	161.9	168.5
Monthly Indices			
Retail (Feb.) †	161.6	161.0	159.5
W'sale (Jan.)	157.1	156.8	159.3
U. S. (Nov.)	151.6	152.2	163.9
Gt. Brit. (Dec.)	240.4	239.7	220.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
♦Indust. Accept. ser. A s.f. deb	4%	1966	Apr. 1	103
♦Do. ser. B s.f. deb.	3½%	1966	Apr. 1	103
♦Do. ser. C s.f. deb.	4%	1966	Apr. 1	103
♦AA. o/s.				
♦H. Walker-Good. deb.	2¾%	1966	May 1	102⅝

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Mar. 10 Bid	Ask
Loew's Theatres	4.00	70	..	..
London Can. Inv.	▪6.50	70	..	..
Mackin Steel	..	8	7¼	10
Do. pref.	5.00	90	90	..
Man. Sugar pref.	6.00	104¼	105	..
Maritime Tele. pf.	.70	18¼	18¼	18¾
McBrine	1.00	17	17	17¼
McCabe Grain A	.60	8¼	8¾	9¼

	Div. Rate $	Last sale	Mar. 10 Bid	Ask
West. Grocers	..	30	29¼	30¼
Do pref.	1.40	32	32	32¼
West Koot. pref.	7.00	172	166¼	..
W'minster Pap. B	.10	3.87½	3.87½	4.12½
Willson Stat.	..	11	10¼	12
Do. pref.	5.00	99¼	97¼	..
Wilsils	1.00	17	17	18
Wilson, J. C.	.60+▪.40	11¾	11	12

Government Bonds

Mar. 14, 1950

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101½	101¾
3	Mar. 1954	103	103½
3	Nov. 1956	103	103½
3	May 1957	102½	102¾
3	Jan. 1959	102¾	103½
3	June 1960	102¾	103½
3	Feb. 1962	102½	103
1¾	Nov. 1950	99¾	100¼
3	Oct. 1963	102½	103
3	Sept. 1966	102½	103
Dom. of Can. Bonds:			
3	June 1958	102½	102¾
3¼	Feb. 1952	102½	102¾
3	June 1955	100½	100¾
3¼	June 1966	103½	104½
3	Perpetual	†101½	102
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101½	102½
4½	Feb. 1956	■123¾	125¾
4½	July 1957	♦126½	127¾
5	Feb. 1954	109½	110
4½	June 1955	■124	125½
2¾	Jan. 1967	98¾	99¾
2¾	Sept. 1969	99½	100½
3	Jan. 1966	101¾	102¾
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	■124	125
Grand Trunk Pacific Rly.:			
3	Jan. 1962	■114½	116½
4	Jan. 1962	■125¾	127¾

Provincial Govt. Bonds

%	Due	Bid	Ask
Alberta:			
3½	June 1950/71	100	100½
3½	June 1950/72	♦110	111
British Columbia:			
4½	Jan. 1969	♦133¾	135¾
5	Sept. 1953	106½	107¾
3	Dec. 1960	99¾	100¾
3	June 1964	98¾	100¼
5	Sept. 1959	♦130¾	132¾
B. C. Power Comm.:			
3	Oct. 1967	98½	99¾
Manitoba:			
4	Dec. 1957	♦119¾	121¾
4½	Dec. 1956	♦122	124
5	Dec. 1959	■130	132
5½	July 1958	116¾	118½
3	Oct. 1965	99½	100¾
New Brunswick:			
4½	Apr. 1961	♦122¾	124¾
2¾	June 1966	89	91
3½	May 1957	98½	100½
3½	Sept 1965	98¾	100½
Nova Scotia:			
3½	June 1956	101¼	102¼
4½	Nov. 1960	♦125¾	127¾
5	Mar. 1960	♦129	131
3	June 1956/58	99¾	101¼
2¾	Sept. 1966	95	97
3½	June 1963/65	101½	102¾
Ontario:			
2¾	Nov. 1965/69	96½	97¾
3½	May 1952/55	101½	102½
4	June 1962	■124¾	126¾
4½	June 1950	100½	101½
4½	Jan. 1962	♦129½	131½
2¾	July 1967/77	94½	96½
3	Nov. 1963/65	99¾	101¾
5	May 1959	■130¾	132¾
Ont. Hydro Commission:			
4	Aug. 1957	■119¾	121¾
2¾	Oct. 1965/68	95¾	97½
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99¾	100¾
Prince Edward Island:			
3½	Dec. 1961	101½	102½
Quebec:			
3½	Mar. 1954/59	103	104
3½	Feb. 1952/55	102½	103½
4½	Aug. 1958	108½	109½
4½	Jan. 1963	114	115½
4	Nov. 1950/52	100¾	101¾
3	Sept. 1962/64	100½	101½
Quebec Hydro Commission:			
3	Feb. 1969/73	99½	100¾
3	Dec. 1958/60	100½	101½
Saskatchewan:			
4	Nov. 1955/60	101½	103
5	Aug. 1958	109	111
4½	Mar. 1960	♦119¾	121¾
5½	Oct. 1952	104¾	105¾
6	Mar. 1952	104¾	106½
5	Dec. 1959	♦123	125
3	Mar. 1963	94½	96½
3½	Nov. 1960/62	95¾	97¾
3¾	Oct. 1962/65	101½	102¾

†Callable on or after Sept. 15 1966. ♦Payable Can. or N. Y. ■Payable Can., N. Y. or £.

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal, and Intercity Securities Ltd., Toronto)

March 13, 1950

	Bid	Ask		Bid	Ask
Allens Toronto units	42.00	....	Imperial Life	345.00	365.00
Anglo Can. Telephone A	10.25	11.00	Lambton Loan $50 par	84.00	90.00
Ashdown Hardware B	14.50	....	Laprairie com.	3.00	....
Ash Temple	4.50	....	Do. pfd.	98.00	....
Beauharnois L. H. & Pr.	22.25	23.00	Loblaw Groc. Inc.	21.75	23.00
Beauharnois Power	10.00	11.25	Manufac. Life Ins.	345.00	365.00
British Mtge. & Trust	195.00	....	Medical Arts Bldg.	34.00	40.00
B. C. Sugar	90.00	92.00	Monarch Life 40% pd.	134.00	140.00
Can. Gen. Invest.	18.25	18.75	Mountainview Apts. pfd.	27.00	....
Can. Gen. Sec. C	7.00	....	Nat. Drug & Chem. com. n.	8.50	9.25
Can. Investment Fund	5.00	5.40	Do. pfd.	10.00	12.00
Can. Investors Corp.	10.00	....	N. B. Telephone	11.00	12.50
Can. Motor Lamp	12.50	13.50	Northern Tel. com.	1.60	1.95
Can. Silk Products A	23.00	24.00	Ont. Jockey Club	1,400.00	1,600.00
Can. West. Nat. Gas com.	60.00	....	Ont. & Que. Ry. 5% cap stk	141.00	....
Do. pfd	19.00	20.50	Peller Brewing com.	1.00	1.75
Capital Wire Cloth com.	14.25	....	Do. pfd.	12.75	13.75
Chase, A. W. units	53.00	....	Prov. Bank of Canada	15.75	16.50
Colonial Steamships com.	125.00	....	Prudential Trust	11.00	....
Commercial Finance com.	17.00	....	Ritchie Cut Stone pfd.	8.25	9.25
Commercial Life 10% pd.	10.75	....	Rosedale Golf	135.00	....
Continental Life 20% pd.	45.00	....	Sawyer Massey com.	.75	....
Cooksville A	11.50	12.50	Seiberling Rubber com.	5.00	6.00
Do. B	5.50	6.50	Sincennes McNaught. Tugs	2.00	3.00
Corporate Investors	8.90	9.61	Sherbrooke Trust	140.00	....
Cuban. Can. Sugar com.	5.00	6.00	Sovereign Life 25% pd.	49.00	53.00
Detroit Intnl. Bridge	16.75	17.75	Standard Fuel pfd.	35.00	37.00
Dover Industries Ltd.	9.25	10.25	Do. com.	3.00	5.00
Dunlop Tire pfd.	25.00	26.00	Sun Life Assce.	616.00	620.00
Dupuis Freres pfd.	22.00	24.00	Third Can. Gen. Inv.	4.15	4.50
Empire Life 25% pd.	17.00	19.00	Toronto General Ins.	6.00	8.00
Foreign Power Co.	4.50	6.00	United Farmers Co-op.	2.00	3.50
Galt Brass com.	31.00		United Steel A pfd.	24.00	25.50
Goderich Elev. & Trans.	15.25	16.25	Victoria Trust & Svgs.	143.00	....
Great West Life	445.00	470.00	Waterloo Manuf. com.	5.50	6.75
Guardian Realty pfd.	54.00	....	Waterloo Trust & Svgs.	124.00	128.00
Guaranty Co. of N. America	385.00	415.00	Western Assurance com.	72.00	....
Hart Battery com.	8.25	9.50	Western Grain pfd.	23.00	25.00
Husky Oil & Ref.	3.50	4.50	York Trading com.	10.50	12.00

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	10	4	5	10	15	10	16	12	8	16	106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.5	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	[illegible]	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	[illegible]	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
June	184.7	210.8	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.6	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	68.2	202.2	114.6	306.7	140.9	110.0	133.3	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.8	135.2	122.7	109.6
Oct.	221.4	259.0	95.8	75.4	206.4	122.0	329.6	151.4	111.7	139.8	121.8	114.3
Nov.	231.0	274.3	91.8	82.6	219.9	123.5	336.5	158.6	112.2	142.2	121.6	118.2
Dec.	231.5	279.4	88.5	82.4	229.9	121.5	345.9	163.2	112.0	140.6	122.5	117.9
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
1950: Weekly Figures:												
Feb. 2	233.9	295.0	89.7	81.6	233.4	123.6	349.7	168.7	115.4	143.6	124.9	118.6
Feb. 9	228.0	295.0	85.4	81.5	232.1	124.5	356.2	172.3	116.5	142.8	125.7	119.0
Feb. 16	226.2	292.1	84.7	79.3	234.8	124.2	354.3	169.2	116.9	143.3	125.3	117.7
Feb. 23	231.6	294.8	84.7	79.4	239.1	120.4	363.0	168.4	117.1	142.4	125.0	117.8
Mar. 2	239.2	298.2	83.8	79.9	245.1	119.0	358.7	169.2	118.3	142.4	126.0	118.3
Mar. 9	238.7	299.6	83.1	78.6	246.3	118.6	369.7	168.0	121.7	142.6	126.3	117.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 13	212.90	99.85	105.60	59.16
Mar. 11	212.95	98.07	104.97	59.39
Mar. 10	213.51	97.73	104.46	52.96
Mar. 9	213.55	98.15	105.11	58.45
Mar. 8	213.42	98.17	105.90	59.25
Mar. 7	213.03	98.91	106.30	59.70
Month ago	210.23	98.99	106.56	59.39
Year ago	172.04	94.83	96.24	48.27
1949-50 High	213.93	114.63	114.53	66.29
1949-50 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Mar. 13	80.0	143.5	122.4	382.06	64.56
Mar. 11	79.9	144.5	122.9	381.48	64.05
Mar. 10	79.9	143.2	122.1	383.69	63.99
Mar. 9	79.8	142.9	121.8	381.50	64.35
Mar. 8	79.8	143.4	122.2	380.73	64.41
Mar. 7	79.5	142.7	121.6	379.57	64.81
Month ago	76.4	141.5	119.8	375.18	64.19
Year ago	71.3	121.9	105.0	310.66	64.20
1949-50 Hi.	80.0	146.2	122.9	385.70	74.40
1949-50 Lo.	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 13	203.09	54.73	42.95	73.54
Mar. 11	202.96	55.06	42.89	73.60
Mar. 10	202.44	54.91	42.75	73.40
Mar. 9	202.33	55.18	42.91	73.51
Mar. 8	203.71	55.46	42.94	73.90
Mar. 7	203.69	55.52	42.82	73.87
Month ago	203.36	54.78	42.65	73.52
Year ago	175.76	48.10	36.14	63.57
1949-50 High	205.03	56.60	43.01	74.49
1949-50 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Mar. 14, 1950

Issues	Int. Rate	Due	Bid	Ask.	Prev. Week Bid
Public Utility Issues:					
▲Alg. Cen. H.B.R.	5	'59	90	93	90½
Bell Telephone	3	'77	98	100½	98
B. C. Electric	3½	'67	96	98½	95½
Do.	3½	'69	101	103½	101
Calgary Power	3	'72	98½	....	98½
East Kootenay	3½	'67	91	....	91
‡Gatineau Pr. D.	3½	'70	101	103½	101
Gt. Lakes Pwr.	3½	'69	98½	101	98½
*Int. Hydro-El.	6	'44	66	69	66
Int. Prov. Pipe Line	4	'70	197	202	103
L. St. Law. Pwr.	3½	'65	97	100	97
Maclaren-Quebec Power	3	'69	96½	99½	96½
Mtl. Trams. B	5	'55	98	101	98
Nat. Lt. & Pwr.	4½	'61	100	....	100
Nor. Que. Pwr.	3½	'67	99	101½	99
Power Corp.	3½	'61	97	....	97
Quebec Power	3	'62	98½	101	98½
St. Maurice Pr.	3½	'70	99½	102	99½
Shaw. W. & Pr.	3	'61	99	101½	99
Do.	3	'71	97½	100	97½
Do.	3½	'73	102	104½	102½
Union Gas	3½	'60	100½	....	100½
Un. Fuel Invest.	4	'50	101	....	101½
United Secs.	3	'52	99½	....	99½
Wpg. Electric	3½	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	101	104	101½
Acadia Atlantic Sugar	3½	'65	101	....	101
Aluminum Co.	3½	'74	102	....	102
Bathurst P. & P.	3½	'68	99½	....	99½
B. C. For. Prod.	4	'66	93	96	92½
B. C. Pulp & Pa.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	96	....	96
Brompton Pulp & Paper	3½	'66	94½	....	94½
†Brown Co.	5	'59	99½	102	99½
Burns & Co.	4	'63	99	102	99
Can. Steamship	3½	'57	99½	102	99½
Do.	4	'63	99	102½	98½
Can. Bread	4½	'67	98	101	98
Can. Brew.	3½	'67	94½	97½	94½
Can. Celanese	3	'62	98½	101	98½
Can. Oil	3½	'62	99	102	99
Can. W. Lum.	3	'62	101	103½	101
C.P.R.	3	'51	101	....	101
Do.	4 Perp.		112	....	112
Cockshutt Plow Co.	4½	'65	101½	104	101½
Columbia Cell.	5	'68	102	104½	102
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	3½	'52	100½	....	100½
Dom. Tar & Ch.	3½	'57	101½	....	101½
Dom. Textile	3½	'59	101½	....	101½
Dom. Woolens	5	'63	95	98	95
Dryden Paper	4	'61	100½	....	100½
E. B. Eddy	3½	'63	100	102½	100
Do.	4	'66	100	....	100
English Elec.	4	'67	95½	....	95½
Federal Grain	4	'64	100	103	100
Gt. Lakes Pap.	3½	'67	100½	....	100½
Imp. Tobacco	3½	'68	97½	....	97½
Indust. Accept.	3½	'64	99½	....	99½
Lake St. J. P.	3½	'61	100½	....	100½
Laurentian Silk	4½	'67	100	....	100
MacMillan (H.R.) Ex.	4	'65	101	....	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96½	....	96½
Do.	4½	'66	102½	105	102½
McColl-Front.	3½	'71	95½	....	95½
Mercury Mills	4	'63	99½	....	99½
Monarch Knit.	4	'68	99	....	99
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	100	....	100
Price Bros.	3½	'66	101½	104	101½
Silv. Dairies	4	'60-64	99	102	99
Do.	4	'71	91½	94	91½
Simpsons Ltd.	3½	'60	101½	104	101½
Stl. Co. of Can.	3½	'67	96½	99½	96½
Tor. Elevators	3	'66	99	....	99
United Corp.	4	'58	100½	....	100½
United Steel	4	'63	100	....	100
Un. Grain Gr.	4	'63	101	....	101
†Western Grain	5	'63	85	89	85
York Knit. Mills	3½	'71	90	93	90

*Payable in Canada or United States. †Payable in Canada only. ‡Payable in Canada or U.K. ▲Payable in Canada, U. S. or U. K.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Deposit Certificates—¾% certificates, due Aug. 30, 1950, $100,000,000, issued Mar. 1, 1950. Sold to Bank of Canada at $100.

Government of Canada Treasury Notes—¾% notes, due Sept. 1, 1950, $550,000,000, issued Mar. 1, 1950. Sold to Bank of Canada at $100.

Canadian National Railways (guaranteed by Government of Canada)—2¾% debentures, due Sept. 15, 1950 and Mar. 15, 1960, $22,000,000, issued Mar. 1, 1950. Offered at $99.53 by Dominion Securities and Bell, Gouinlock & Co. Ltd.

MUNICIPAL

City of Trail, B.C.—3% debentures, due Dec. 15, 1950-59, $43,000, issued Feb. 27, 1950. Sold at $100 to McMahon, Burns & Co. and Bank of Montreal.

Town of Orillia, Ont.—3¼% debentures, due Apr. 15, 1951-70, $265,000, issued Feb. 28, 1950. Sold at $100.36 to Bell, Gouinlock & Co. and Dominion Securities Corp.

Catholic School Commission of Beaconsfield, Que.—3% and 3½% debentures, due Feb. 1, 1951-55-70, $65,000, issued Feb. 28, 1950. Sold privately at $98.

School Commission of City of Beauharnois, Que.—3%, 3¼% and 3½% debentures, due Feb. 1, 1951-55-60-65, $133,000, issued Feb. 28, 1950. Sold privately at $99.92.

Parish of St.-Bruno-de-Guigues, Que.—3½% debentures, due Oct. 1, 1950-64, $60,000, issued Feb. 28, 1950. Sold privately at $98.

Town of Leaside, Ont.—3% debentures, due Feb. 15, 1951-70, $175,000, issued Mar. 7, 1950. Sold at $97.85. Cost basis 3.23% to J. L. Graham & Co. Ltd. and Fairclough & Co. Ltd.

School Bond Issue of Quebec West, Que.—3% serial debentures, due 1951-55, $225,000, issued Mar. 8, 1950. Sold at $99.76, cost basis 3.085%, to McTaggart, Hannaford, Birks & Gordon Ltd.

CORPORATE

Compagnie France Film—4% and 4½% first mortgage serial bonds, series "A," due Oct. 1, 1950 to Apr. 1, 1953 and Oct. 1, 1953 to Apr. 1, 1965, $1,450,000, dated Apr. 1, 1950. Offered at $100 and accrued interest by Clement, Guimont Inc.

Bond Tenders

12 noon, Mar. 9, 1950, Government of Canada Treasury Bills, payable June 9, 1950, $75,000,000, dated Mar. 10, 1950.

Municipal Bonds

Mar. 14, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	100½	3.71
Vancouver	3¾	'69	100	102	3.59
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	92½	94¾	3.45
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	98	100	3.00
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	98	100	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3	'75	88	91	4.05
Montreal	3	'70	93½	96½	3.23
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Investment Trust

	Bid	Ask.
Affiliated Funds	4.28	4.64
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.95	5.40
Can. Invest Corp.	8.25	8.75
Corporate Invest.	8.89	9.61
Commonwealth Int.	3.67	4.03
Trans-Canada	14.35	....
Do. B	....	14.80
Leverage Fund	2.63	2.89

Market Comment

What stocks and bonds are doing and what prominent observers say

The market has continued in a rut of narrow price fluctuations for over eight weeks now, with only important price changes being provided by special stock situations.

It is inconceivable that this sideways movement can continue much longer. Speculation as to the direction the break will take when it comes is about evenly divided. Best reasoning seems to be that if the market can survive the rest of March chances for an upturn are better than average. Liquidation for income tax purposes and the annual spring audit of member firms of stock exchanges are factors expected to exert a downward selling pressure for the rest of the month.

The traditional spring upturn usually gets under way in late April. Natural seasonal optimism, fact that income taxes are out of the way and the renewed business optimism arising from Easter buying, usually combine to produce a stronger market tone that often reaches its high in June.

Highlight of Canadian markets the past week has been the gradually strengthening undertone in market for junior gold producers. The Toronto Stock Exchange gold index jumped over two points on Monday, subsequently lost a fraction of this. An increasing flow of development news can be expected now from the north country with many mines seeking to prove up added ore tonnages. Speculators are anticipating favorable news in the annual report of Upper Canada expected early next month. Other annual reports expected to please shareholders are those of Malartic Goldfields and East Malartic Mines.

* * *

FRANK S. LESLIE: Frank S. Leslie & Co. (Toronto)

After an advance of some 25% since June, 1949, the bull market in stocks is now experiencing a sidewise movement rather than the usual technical adjustment.

Common stocks still yield all the way up to 10% and it now seems assured that earnings and dividends will be well maintained for the year 1950.

The new era of regarding thrift and saving as a minor crime was inaugurated by a leading government nearly two decades ago and has since become the style for both individuals and governments. This policy and the burden of two world wars has put into motion a world-wide inflation of currencies with the end nowhere in sight.

The United States still stands ready to part with gold in payment of credit balances belonging to other governments, with the result that United States dollar remains the only real gauge of the international value of currencies and commodities.

As indicated by the recent decline in the world price of raw materials, it would appear that the long term inflation is being temporarily interrupted but it is not believed that this interruption will be of long duration. Constant pressure from labor unions and deficit spending by governments seem sure to start the inflation movement again within a short time.

If we will look back before looking forward, we can expect the present dollar to be worth about 33 cents in purchasing by the year 2000.

The recognition of this trend may be the reason why the 10 leading colleges in the United States (with assets of upward of a half billion dollars) have now 44½% of their assets invested in equities.

In view of the above, and contrary to widespread opinion held in many quarters, it would not appear that the time has yet been reached when good common stocks should be turned into cash.

* * *

CRAIG BALLANTYNE & CO. (Montreal)

The probable course of stock market prices over the next few months is difficult to determine. On the one hand, there is growing concern about the international situation, estimates of the effects of currency devaluation on overseas trade are being revised downward, and the full repercussions of the prolonged coal strike in the United States have yet to be felt. On the other hand, Canadian corporate finances are for the most part in excellent shape, earnings for the past year while not in all instances above 1948 figures are being reported at relatively high levels, and yields obtainable from good quality common stocks are still generous.

Although we feel that the optimism prevalent at the beginning of 1950 requires some modification, there is reason to believe that development of Canada's natural resources will continue at a high rate of activity. Operations of oil, gold mining and newsprint undertakings should produce satisfactory results in the current year. The outlook for the construction industry also is promising.

Irrespective of such setbacks as may occur from time to time in reflection of extraneous circumstances, we are of opinion that the long-range trend for Canadian stocks should continue upward. For the present, however, we would confine commitments to equities of soundly established corporations which have demonstrated impressive earning capacity for several years past.

* * *

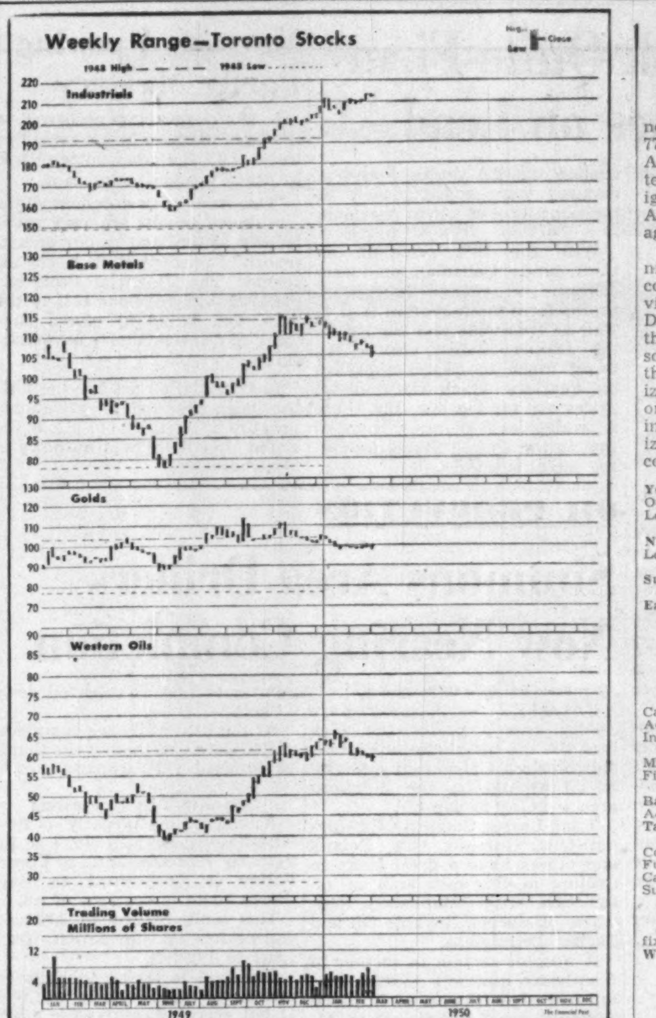
BARRON'S: The Dow Analyst (New York)

Last week the market extended the sideways movement which has now stretched over two months. The longer this continues, the more certain is a sharp break-out in one direction or the other.

It has been repeated here to the point of monotony and beyond that the direction of such a break-out cannot be inferred from any internal indications. For every share of stock sold a share of stock is bought; distribution and accumulation of which many commentators make so much, are the opposite sides of the same coin.

Those "Dow theorists" who tell one how the move will head take the name of Dow in vain.

* * *



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Apr. 1	Mar. 1
Do. pfd.	.37½	Apr. 1	Mar. 1
Acadia At. Sug. A	.25	Apr. 1	Mar. 11
Aluminum Co. pfd.	.25	Jun. 1	May 3
Am. Cyanamid	†.62½	Apr. 1	Mar. 7
Do. pfd.	†.87½	Apr. 1	Mar. 7
Anglo Candn. Oil	.10	Apr. 11	Mar. 17
Asbestos Corp.	.30+.10	Mar. 31	Mar. 9
J. H. Ashdown A	.15	Apr. 1	Mar. 10
Assoc. Tel. & Tel. $6 pf.	†1.50	Apr. 1	Mar. 1
Do. 7% pfd.	†1.75	Apr. 1	Mar. 1
Auto Fabrics A	.15	Apr. 1	Mar. 15
Do B	.10	Apr. 1	Mar. 15
Beatty Bros.	.25	Apr. 1	Mar. 15
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Beld. Cort.	1.50	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Mar. 15
Do. pfd.	.25	Apr. 1	Mar. 15
Bell Telephone	.50	Apr. 15	Mar. 15
Bralorne M	.10	Apr. 15	Mar. 24
Brazilian Tr. pfd.	1.50	Apr. 3	Mar. 15
Brewers & Dist.	.25	June 1	Apr. 29
Do.	.25	Sep. 1	July 31
B. A. Assur.	1.88	Apr. 1	Mar. 24
B. A. Oil	.25	Apr. 1	Mar. 7
Do. pfd.	0.234375	Apr. 1	Mar. 7
	Coup. 12-xc-Mar. 30		
B. C. Electric 4% pf.	1.00	Apr. 1	Mar. 15
Do. 4¾% pfd.	1.19	Apr. 1	Mar. 15
	Coup. 6-xc-Mar. 30		
B. C. Power A	.40	Apr. 15	Mar. 31
Building Products	.40	Apr. 1	Mar. 9
Burlington Steel	25	Apr. 1	Mar. 10
Burns Co. A & B	.40	Apr. 28	Apr. 7
Do. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Caldwell Lin.	.20	May 1	Apr. 15
Do. 1st pfd.	.37	May 1	Apr. 15
Do. 2nd pfd.	.20	May 1	Apr. 15
Calg. & Ed. Corp.	.05	Apr. 15	Mar. 10
Can. Bread B pf.	.62½	Apr. 1	Mar. 10
Can. Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Crushed Stone	.20	Mar. 20	Mar. 1
Canada Dry	†.15	Apr. 1	Mar. 15
Do. pfd.	†1.06¼	Apr. 1	Mar. 15
Can. Flooring B	.15	Apr. 1	Mar. 15
Can. Iron Fdry.	.40	Apr. 15	Mar. 31
Do pfd	30	Apr. 15	Mar. 31
Can. Life Ass.	$5.00	Apr. 1	Mar. 31
Can. Nor. Power	.15	Apr. 25	Mar. 20
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25+.50	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.25	Apr. 1	Mar. 15
Can. Starch	.50	Mar. 31	Mar. 24
Do. pfd.	3.50	Mar. 31	Mar. 24
Can. Steamship	.50	Apr. 15	Mar. 18
Can. Varnish pfd.	.31¼	Apr. 1	Mar. 20
Can. Bk. of Comm.	.20	May 1	Mar. 31
Candn. Brew.	.50	Apr. 1	Feb. 28
Candn. Bronze	31	May 1	Apr. 10
Do. pfd	1.25	May 1	Apr. 10
Candn. Can.	.31¼	Apr. 1	Mar. 10
Do. 1st pfd.	.25+.05	Apr. 1	Mar. 31
Do. 2nd pfd.	.15+.10	Apr. 1	Mar. 10
Candn. Cel.	.50	Mar. 31	Mar. 14
Do. $1 pfd.	.25	Mar. 31	Mar. 14
Do. $1.75 pfd.	.43¾	Mar. 31	Mar. 14
Candn. Cot.	.70+.50	Apr. 1	Mar. 3
Do. pfd.	.30	Apr. 1	Mar. 3
Candn. For. I. Corp.	.50	Apr. 1	Mar. 10
Candn. Food A	25	Apr. 1	Feb. 28
Do. pfd.	1.12½	Apr. 1	Feb. 28
Candn. Gen. Elec.	2.00	Apr. 1	Mar. 15
Can. Gen. Inv.	.22½+‡.21	Apr. 15	Mar. 31
Candn. Ind.	20	Apr. 29	Mar. 31
Do. pfd.	1.75	Apr. 15	Mar. 15
Candn. Ice Mach. A	.20	Apr. 1	Mar. 15
Candn. Ing. Rand	1.00	Mar. 29	Mar. 15
Candn. Mot. Lamp	.15	Mar. 15	Feb. 25
Candn. Oil 4% pf.	1.00	Apr. 1	Mar. 10
Do. 5% pfd.	1.25	Apr. 1	Mar. 10
Do. 8% pfd.	2.00	Apr. 1	Mar. 10
Can. Pac. Rlwy.	.75	Mar. 31	Feb. 24
Can. Refractories pf	1.12½	Apr. 15	Mar. 30
Candn. Silk A	.37½	Apr. 1	Mar. 1
Can. West. Lumber	.10	Apr. 15	Mar. 18
Do.	.10	July 15	June 17
Do.	.10	Oct. 16	Sep. 18
Can. West. Nat. Gas	2.35	Apr. 3	Mar. 27
Can. Westinghouse	.50	Apr. 1	Mar. 15
Can. Wirebound A	.37½	Apr. 1	Mar. 10
Carnation Co. pfd.	†93¾	Apr. 1	Mar. 15
Cassidy's	.20	Apr. 1	Mar. 2
Do. pfd.	1.75	Apr. 1	Mar. 2
Celanese Corp.	†.60	Mar. 31	Mar. 17
Do. 1st pfd.	†1.18¾	Mar. 31	Mar. 17
Do. 2nd pfd.	†1.75	Mar. 31	Mar. 17
Celtic Knit.	.50	July 31	July 15
Cert. Can. Loan	2.00	Apr. 1	Mar. 20
Chartered Trust	.25	Apr. 1	Mar. 15
Cinzano 5½% pf.	2¾%	Mar. 31	Mar. 15
Circle Bar Knit. A	.50	Apr. 15	Mar. 31
Cockshutt Plow	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Confed. Life	2.00	Mar. 15	Mar. 10
Do.	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Consol. Litho.	.50	Mar. 31	Feb. 28
Consol. Text. pfd.	.50	Jun. 1	May 15
Consumers Gas	2.00	Apr. 1	Mar. 15
R. L. Crain	.10	Apr. 1	Mar. 15
Cresc. Creamery pf.	5.00	Mar. 31	Mar. 15
Crown Trust	1.25	Apr. 1	Mar. 20
David & Frere A	.25+.75	Mar. 31	Mar. 15
Do. B	.50	Mar. 31	Mar. 15
Delnite M.	.02	Apr. 1	Feb. 20
Dome Mines	.17½	Apr. 29	Mar. 29
Dom. Bank	.25	May 1	Apr. 15
Dom. Dairies	.12½	Apr. 15	Mar. 31
Do. pfd.	.43	Apr. 15	Mar. 31
Dom. Foundries	.35	Apr. 1	Mar. 10
Dom. Glass	.25	Apr. 15	Mar. 28
Do. pfd.	.35	Apr. 15	Mar. 28
Dom. Malting	.25	May 1	Apr. 6
Do. pfd.	1.25	May 1	Apr. 6
Dom. Stores	.37½	Mar. 15	Feb. 17
Dom. Tar & Chem.	.25	May 1	Apr. 1
Do. pfd.	.25	Apr. 1	Mar. 1
Dom. Textile	.25	Apr. 1	Mar. 3
Do. pfd.	1.75	Apr. 15	Mar. 15
Donacona Paper	.50	Apr. 1	Feb. 28
Do.	1.12½	May 15	Apr. 14
Easy Washing	.05+.05	Apr. 1	Mar. 15
Econ. Inv. Tr.	1.00+1.75	Mar. 24	Mar. 15
Estabrooks pfd.	.26	Apr. 15	Mar. 17
Famous Players	.25	Apr. 1	Mar. 17
Fanny Farmer	†.37½	Mar. 31	Mar. 15
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Fibre Products	.20	Mar. 22	Mar. 1
Foothills Oil	.12½	Apr. 1	Mar. 17
Found. of Can.	.35+.40	Apr. 21	Mar. 31
Fraser Cos.	.50	Apr. 24	Mar. 31
Do. pfd.	1.19	Apr. 1	Mar. 10
Gatineau Pwr.	.30	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Do. 5½% pfd.	1.37	Apr. 1	Mar. 1
Gen. Steel Wares	.25	May 15	Apr. 17
Do. pfd.	1.25	May 1	Apr. 3
Golden Man.	.05	Apr. 1	Mar. 10
Goodyear Tire	1.00	Apr. 1	Mar. 10
Grand & Toy	.15	Mar. 31	Mar. 21
Gt. Lakes Pap.	.25+.15	Mar. 31	Mar. 10
Do. pfd. A	.62½	Mar. 31	Mar. 10
Gt. West Felt pfd.	.12½	Apr. 1	Mar. 17
Gt. West Life	5.00	Apr. 1	Mar. 20
B. Greening Wire	.05	Apr. 1	Mar. 15
Gypsum, Lime A	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Ham. Bridge	.12½+.12½	Apr. 1	Mar. 15
Hamilton Cot.	.25	June 1	May 10
Harding Carp.	.20	Apr. 1	Mar. 15
Hart Battery	.15	Apr. 6	Mar. 9
Hinde & Dauch	.25	Apr. 1	Feb. 28
Hollinger Cons.	.06	Mar. 30	Mar. 2
F. W. Horner A	.12½	Apr. 1	Mar. 1
How. Smith	.50	Apr. 29	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
Huron & Erie Mtge.	1.25	Apr. 1	Mar. 15
Imp. Tobacco	.12½+.12½	Mar. 31	Feb. 27
Do. pfd. 6%	3%	Mar. 31	Feb. 27
Do pfd. 4%	.25	May 1	Mar. 21
Indust. Accept.	.50	Mar. 31	Mar. 3
Do. 4¼% pf.	1.06¼	Mar. 31	Mar. 3
Do. 5% pfd.	1.25	Mar. 31	Mar. 3
Do. 5% pf. $25 par	.31¼	Mar. 31	Mar. 3
Do 5% pf. $32 par	*.20	Mar. 31	Mar. 3
Ingersoll M. & T. A	.12½	Apr. 1	Mar. 15
Do. pfd.	1.00	Apr. 1	Mar. 15
John Inglis	.10	Apr. 1	Mar. 17
Inter City Bak.	.20	Mar. 31	Mar. 15
Int. Bronze pf.	.37½	Apr. 15	Mar. 15
Int. Met. A	.50	Apr. 1	Mar. 10
Do. B	.50	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Int. Nickel	†.40	Mar. 20	Feb. 20
Do. pfd.	†1.75	May 1	Apr. 3
Int. Paper	†.62½	Mar. 27	Feb. 27
Do. pfd.	†1.00	Mar. 27	Feb. 27
Int. Power	.60	Apr. 15	Mar. 15
Do. 2nd pfd.	3.00	Apr. 15	Mar. 15
Invest. Found.	.40	Apr. 15	Mar. 15
Do. pfd.	.75	Apr. 15	Mar. 15
Jack Waite M.	.01	Mar. 18	Feb. 24
Jam. Pub. Ser.	.25	Apr. 1	Feb. 28
Do pfd.	1.75	Apr. 1	Feb. 28
Kelvinator	.75	Mar. 20	Mar. 3
Kerr-Addison G. M.	.18	Mar. 28	Feb. 28
Kirkland L. G. M.	.02	May 1	Mar. 31
John Labatt	.25	Apr. 1	Mar. 15
La Luz M.	.05	Apr. 12	Mar. 10
J. A. Laug	.25	Apr. 1	Mar. 10
Laprairie pfd.	1.50	Apr. 1	Mar. 15
Lawson & Jones A	.50	Apr. 1	Mar. 15
M. Loew's	1.00	Mar. 31	Mar. 18
London Hose	.15+.40	Apr. 1	Mar. 15
W. M. Lowney	.25	Apr. 15	Mar. 15
H. R. Macmillan A & B	.12½	Mar. 31	Mar. 10
Mailman Corp.	.25	Mar. 31	Mar. 16
Man. Sugar pf.	3.00	Apr. 1	Mar. 15
Mar. T. & T.	.20	Apr. 15	Mar. 20
Do. pfd.	.17½	Apr. 15	Mar. 20
McColl-Front. pfd.	1.00	Apr. 20	Mar. 31
Mersey Pap.	.50	Apr. 1	Mar. 4

Dividends Declared (con't.)

	This payment $	Date payable	Date of record
Do. pfd.	1.25	Apr. 1	Mar. 4
Mid. & Pac. Gr.	.50	Aug. 1	July 15
Minn. & Ont. Pap.	†.37½	Apr. 25	Mar. 31
Minn. St. Paul & S.S. Marie Rlv.	†1.00	Apr. 1	Mar. 15
J. S. Mitchell	1.00	Apr. 1	Mar. 15
Robt. Mitchell	‡1.00	Apr. 15	Mar. 15
Do.	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Mod. Containers A	.25	Apr. 1	Mar. 20
Molsons A	.20	Mar. 23	Mar. 2
Do. B	.20	Mar. 23	Mar. 2
Monarch Knit.	.25	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Mtl. City & Dist. Sav. Bk.	.35	Apr. 1	Mar. 1
Mtl. Locomotive	.40	Apr. 1	Mar. 13
Mtl. Telegraph	.50	Apr. 15	Mar. 15
Moore Corp.	.75	Apr. 1	Mar. 10
Do. A & B	†1.75	Apr. 1	Mar. 10
Do. 4% pfd.	.25	Apr. 1	Mar. 10
Murphy Paint	.20	Mar. 31	Mar. 15
Nat. Biscuit	†.50	Apr. 14	Mar. 7
Nat. Brew.	.50	Apr. 1	Mar. 10
Do. pfd.	.44	Apr. 1	Mar. 10
Nat. Grocers	.15	Apr. 1	Mar. 15
Do. pfd.	.37½	Apr. 1	Mar. 15
Nat. Hose. Mills A	.15	Apr. 1	Mar. 3
Do.	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Do. B	.40	Apr. 1	Mar. 3
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Nat. Trust	.25	Apr. 1	Mar. 15
New Eng. Elec.	†.20	Apr. 1	Mar. 13
Niagara W. W.	.40	Apr. 1	Mar. 1
Normetal M.	.09	Mar. 31	Mar. 3
N. Star Oil pf.	.08¾	Apr. 1	Mar. 10
N. W. Brewing	.15	Mar. 31	Mar. 20
N. S. Lt & Pwr.	.25	Apr. 1	Mar. 7
Obsco Ltd. pfd.	.25	Apr. 3	Mar. 20
Ogilvie Flour	.25	Apr. 1	Feb. 24
Ont. Loan & Deb.	1.25	Apr. 1	Mar. 15
Ont. Steel	.75	May 15	Apr. 14
Do. pfd.	1.75	May 15	Apr. 14
Page-Hersey	.50	Apr. 1	Mar. 15
Paramount Pict.	†.50	Mar. 29	Mar. 16
Paul Service Stores	.25	Apr. 3	Mar. 15
Petrol Oil & Gas	.02	Mar. 31	Mar. 17
Porc. Reef G. M.	*.02	Apr. 3	Mar. 1
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 20
Do. 2nd pfd.	.75	Apr. 15	Mar. 20
Pressed Metals	.25	June 1	May 10
Preston E. Dome	.02	Apr. 15	Mar. 15
Proprietary M.	....	Mar. 28	Feb. 28
Que. Manitou	.02	Apr. 1	Mar. 10
Que. Power	.25	May 25	Apr. 15
Que. Telephone A	.40	Mar. 31	Mar. 11
R & M Bear.	.27	Apr. 1	Mar. 15
Regent Knit. pfd.	.40	June 1	May 15
Do.	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's pfd.	.25	May 1	Apr. 15
Remington-Rand	†.25	Apr. 1	Feb. 9
Do. pfd.	†1.12½	Apr. 1	Feb. 9
Renfrew Text. A	.15	Apr. 1	Mar. 13
Renold Cov. A	.27+.05	Apr. 1	Mar. 15
Do.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sept. 16
Riverside Silk A	.50	Apr. 1	Mar. 15
Do. B	1.00	Apr. 1	Mar. 15
P. L. Robertson	.50+.50	Apr. 1	Mar. 20
Do. pfd.	.62½	Apr. 1	Mar. 20
Robinson Little	.20	Mar. 31	Mar. 15
Robinson Cot.	.10	May 1	Apr. 1
Russell Ind.	.25	Mar. 31	Mar. 10
Do pfd.	1.75	Mar. 31	Mar. 10
Saguenay Pap.	1.08	Apr. 1	Mar. 13
San Antonio	.07	Apr. 15	Mar. 15
Shawinigan W. & P. A pf. A	.50	Apr. 2	Mar. 9
Do. B pfd	*.18¾	Apr. 2	Mar. 15
Sheep Creek M.	.02	Apr. 15	Mar. 31
Sherwin-Williams	.25	May 1	Apr. 10
Do. pfd.	1.75	Apr. 1	Mar. 10
Sick's Brew.	.30	Mar. 31	Mar. 1
Do. V.T.	.30	Mar. 31	Mar. 1
Silver Miller M.	*.05	Apr. 29	Apr. 1
Silverwood's Dairy A	.15	Apr. 1	Feb. 28
Do. B	.10	Apr. 1	Feb. 28
Silverw'ds. W. A. pf.	1.25	Apr. 1	Feb. 28
N. Slater	.45	May 1	Apr. 8
Do. pfd.	.53	Apr. 15	Apr. 3
Southam	.25	Mar. 28	Mar. 13
So. Can. Pwr.	.35	May 15	Apr. 20
Stadacona M.	.03	Apr. 15	Mar. 25
Stand. Pav.	.50	Apr. 1	Mar. 1
Do. pfd.	.62½+.50	Apr. 1	Mar. 1
Stand. Radio A & B	.10	Apr. 11	Mar. 20
Stedman Bros	.20	Apr. 1	Mar. 15
Sterling Tr.	1.50	Apr. 1	Mar. 15
Sun Life	5.00	Apr. 1	Mar. 16
G. Tamblyn	.25+.05	Apr. 1	Mar. 10
Do. pfd.	.50	Apr. 1	Mar. 10
Tay. Pear. & Car.	.20	July 3	Mar. 1
Thrift Stores	.25	Apr. 1	Mar. 15
Tip Top Can. A	.25	Apr. 1	Mar. 20
Tip Top Tail.	.15	Apr. 1	Mar. 1
Tooke Bros.	.10	Apr. 3	Mar. 15
Tor. Gen. Tr.	1.75	Apr. 1	Mar. 10
Tor. Iron	.15	Apr. 1	Mar. 15
Do. A	.15	Apr. 1	Mar. 15
Tor. Mtge.	1.25	Apr. 1	Mar. 15
Traders Fin. A	.37½	Apr. 1	Mar. 15
Do. B	.37½	Apr. 1	Mar. 15
Do. pfd.	1.12½	Apr. 1	Mar. 15
Tuckett Tob.	1.75	Apr. 15	Mar. 31
Union Gas	.12½	May 1	Apr. 6
United Fuel A	.75	Apr. 1	Mar. 9
United Steel	.15	Mar. 31	Mar. 17
Do. pfd.	.75	May 1	Apr. 14
Verney Corp. pf.	.57	Apr. 1	Mar. 15
Viau Ltd.	.25	Apr. 1	Mar. 20
Do. pfd.	1.25	Apr. 1	Mar. 20
Wabasso Cot.	.25	Apr. 1	Mar. 11
Waterous Ltd.	.10	Apr. 17	Mar. 31
W. Koot. Pr. & Lt. pfd.	1.75	Apr. 1	Mar. 15
West. Assur.	1.50	Apr. 1	Mar. 24
West. Grocers A	.50	Apr. 15	Mar. 15
Do. pfd.	.35	Apr. 15	Mar. 15
Geo. Weston	.25	Apr. 1	Mar. 10
Wilsil Ltd.	.25	Apr. 1	Mar. 1
Woods Mfg.	.25	Mar. 31	Mar. 10
Wool Combing	.40	Apr. 10	Mar. 25
Wright-Harg. M.	.04	Apr. 1	Feb. 24

†American funds. *Initial. ‡Extra.

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., March 13, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	3	5	McManus	6	7
Advance	3½	4	Metalore	†5½	6½
Alexander	2	3	Miles RL	†4	6
Ama Kir	*7	8	Mindus	9	11
Anna'que	3½	4½	Mink	2	4
Arctic	6½	8	Mistassini	3	5
Argonaut	1½	2½	Mohawk P	2½	3½
Barber N	2	3	Murmac	5½	6½
Beacon	58	62	Nat Mal	70	75
Beaulieu	1½	2	Nat New	7	8
Beauriv	1¾	2¾	New Aug	14	16
Bi Ore	17	22	Newcore	11	13
Biroco	*11½	13	New Mal	3	4
Blondor	2½	3	Nickel L	2½	3½
B McDade	5	8	N Offsets	115	135
Bour C	4½	6	Nisto	23	25
Bouzanne	7	8	NoAcme	*140	150
Braminco	17	21	Norbeau	110	120
Bright RL	2	3	Norbec	9	11
Bulldog	†18	20	Norcourt	2½	3½
Burley PO	2½	3½	Norford	1½	2½
Camlaren	3½	5	Normar	2½	3½
Camray	7½	9	Novele P	2	4
Captain	2	3	Obalski O	6	8
Cassidy	2	3	do '45	18	20
Cent Man	5½	6½	Obaska	9	10
Cock	*1½	2½	Oklend	†7½	8½
Columbier	2	3	Olivet	1½	2½
Con Chib	12	15	Opemiska	*22	24
Con Cop	7	8	Ortona	4	5
Craibbe	4	5	Pascalis	13	16
Croydon	1	2	Payne	3	4
Cuyuni N	30	35	Pelangio	2½	3½
Delhi	6	9	Phelps	1¾	2½
Derlak	4	5	Presdor	1¾	2½
De Sant	2½	3½	Privateer	12	17
Dick'son o	22	25	Pro Div's	13	15
Doris	2	3	Quejo	5	6
Durham	[illegible]	9	Que SR	52	56
Echo Ind	2½	4	Quest	1¾	3
El Bonanz	5½	7	Rand M	†16½	18
Elmac	2½	3½	Randona	2½	3
Erin Kirk	2	3	Raymond	1½	2½
Erndale	5½	7	Redruth	2	4
Flicka	1½	2½	Redwood	6	7
Forty For	..	90	Rhyolite	1	2
Gan Cop	†2	3	Richgroup	4½	6
Geneva L	2	5	Russet	5½	7
Glencona	6½	7½	Salmita	2¾	3¾
Golpac	7	10	Santiago	8½	10
Gov Gold	3	5	S Dufault	5	7
Grd Chib	35	42	Sepha	3	4
Greenlee	4	6	Sheldon	11	12
Grndhog	..	16	Silv Arro	3	5
Habitant	2	3	Skynner	2	3
Halden	3	5	Snow L	2½	3½
Harker	3	4	Starlight	1	3
Hornfault	9	11	Sunbear	2½	3½
Hu Pam	23	25	Thornhill	1	2
Independ	7½	8½	Tobico	*3	4
Insco	4	6	Vinray	2	3
IslePin n	16	20	Viking	15	18
Jerome	22	25	Walcoro	5	6
Kamlac	*15	17	Wesley	1	2
Ken Bay	5	7	West RL	1½	2½
Kenda Pe	9	11	Y Davids	18	20
Kirk GG	2	2½	Yelknife	190	..
Lar-Add	*5½	6	do vt	135	..
La Salle	2½	3½	**OILS**		
Lassie	4½	5½	Crusader	23	26
Lavalie	3½	4	Franco	*55	60
Lennie	1½	2½	Garrison	135	145
Lk Expa	6	7	Granleduc	8	12
Lower Can	5	7	Home Oil	†11½	11¾
Marbenor	†13	15	Jupiter	14	16
Mallen RL	5	6	Lingnora	3½	4½
Mar Bird	3	4	Major Oil	2½	3½
Marquette	2½	4	Nw Ranch	2	3
Mary An	10	11	Pac Oil R	4	6
Mat Con	37	39	Princess	†35	37
Mate Yel	2¾	3½	Vermilion	*26	30
McCuaig	3½	4½	West Lock	5	7

New Highs & Lows

During the week ended March 18 40 new highs were recorded among the general stocks on Canadian stock exchanges and nine new lows. In the mining group there were 6 new highs and nine new lows. In the western oil group there was one new high and three new lows.

GENERAL

New Highs—1949-50

Abitibi; Bathurst Pr. A; Brant. Cord.; Brazil. Traction; Bruck S. Mills B; Butterfly Hosiery; Candn. Celanese; Capital Estates; Corr. Paper Box; Crows Nest Pass; Distill.-Seagram; Dom. Foundries; East. Koot. Pr.; Do. pref.; Gen'l Steel Wares; Great Lakes Paper; Ind. Accept. 5% c.; Kelvinator; MacMillan Exp. B; Mod. Contain. com.; Do. A; Monarch L. 50% pd.; Montreal Trams; Mount Royal Rice; Powell River; Pressed Metals; Price Bros. pref.; Reitman's Ltd.; St. Lawrence Corp.; Do. 1st pref.; St. Law. Pap. 1st p.; Do. 2nd pref.; Sangamo; Sarnia Bridge; Slater, N.; South Can. Pwr.; Southmount; Toronto Gen. Tr.; Union Gas; Walker-Good.

New Lows—1949-50

Cons. Press B; Donnell Mudge A; Mid Pacific Grain; Molson Brew. A; Do. B new; Steel of Can. c. n.; West. Can. Brew.; Western Groc. A; Wool Combing.

MINING

New Highs—1949-50

Anglo-Huronian; Barnat Mines; Cons. Ansley; Hard Rock; New Dickenson; Tombill.

New Lows—1949-50

Acadia Uranium; Boymar; Bulolo Gold; Celta Development; Guayana; Hosco; Macho River; Quesabe; Rice Lake G.

OILS

New Highs—1949-50

Vulcan

New Lows—1949-50

Br. Empire; Del Rio; North Continental; Polaris.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MONARCH KNITTING CO. LTD. net profit of $55,430 for 1949 was off 77.7% from the 1948 net of $248,139. As major portions of the raw materials used are of sterling area origin, devaluation slowed demand. Also important were dollar shortages in sterling areas.

Operations of the worsted spinning division at St. Thomas were consolidated with those at Dunnville. Additions were made to the Dunnville factory to provide for this and the St. Thomas plant was sold. Lord Barnby, president, states that total cost of the plant modernization program over the past four or five years amounted to $1,584,000, including $373,000 in 1949. Modernization and re-equipment will be continued.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Oper. profit	$299,981	$788,317
Less: Depreciation	229,551	331,178
Inc. tax res.	15,000	209,000
Net profit	55,430	248,139
Less: Pref. divds.	21,469	21,961
Com. divds.	102,000	102,000
Surplus for year	■68,039	124,178
■Deficit.		
Earnings per Share and Dividend Record:		
Preference	$11.76	$51.35
Paid	4.50	4.50
Common	0.33	2.22
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,750	$5,331
Accts. rec.	760,423	925,482
Inventories	1,994,947	2,186,615
Total curr. assets	2,757,120	3,117,428
Misc. assets▲	169,676	174,882
Fixed assets*	1,569,206	1,466,760
Total assets	4,496,002	4,759,070
Bank loan	178,321	232,865
Accts., etc., pay.	513,853	555,446
Taxes pay.	101,773	371,156
Total curr. liab.	793,947	1,159,467
Conting., invent. res.	375,000	200,000
Funded debt	1,280,000	1,340,000
Capital stock	981,200	993,200
Surplus	§1,065,855	§1,066,403
▲Incl. ref. EPT	64,992	91,319
*After depr. of	2,031,185	1,927,836
§Incl. $226,006 spec. surp. from sale of fixed assets in 1948, $292,339 in 1949.		
Working capital	1,963,173	1,957,961

WESTERN PLYWOOD CO. LTD. net profit of $143,795 for the year ended Oct. 31, 1949 was down 29.1% from the previous year's $202,871. Contributing factors were rising production costs and a 15% cut in fir plywood prices. Price cut was caused by stiffer competition resulting from sharply reduced export trade. Dollar value of sales was maintained by increased sales staff, more diversified production and catering to the single panel trade.

Export markets are not expected to improve much, President John Bene states. Estimates are that, if domestic building and employment remain high, Canada will need most of the plywood made here.

Preparation for the construction of the Quesnel plant, to open in the fall of 1951, are being pushed.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Sales	$1,895,015	$1,884,883
Net earnings	372,419	484,914
Less: Int., etc.	24,638	12,875
Deprec.	113,286	147,168
Inc. taxes	90,700	122,000
Net profit	143,795	202,871
Less: Com. & def. divd.	......	6,600
Pref. divd.	......	10,500
Class A divd.	40,000	20,000
Class B divd.	26,400	13,200
Surplus for year	77,395	152,571
Earnings per Share and Dividend Record:		
Class A	$1.80	$2.54
Paid	0.50	0.25
Class B*	0.79	1.23
Paid	0.20	0.10
*After provision made for full year's divds. on class A stock.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$130,032	$208,686
Accts. rec.	204,254	264,552
Inventories	397,272	319,395
Total curr. assets	731,558	792,633
Prepaid exp.§	2,967	6,842
Misc. assets	29,702	31,916
Fixed assets*	689,249	628,137
Total assets	1,453,476	1,459,528
Total curr. liabs.	166,224	183,330
Mortgage pay.	5,523	6,000
Funded debt	400,000	475,000
Capital stock	180,500	180,500
Surplus	701,229	614,698
*After depr. & depl.	516,924	405,274
§Included in curr. assets in co's report.		
Working capital	565,334	609,303

COMMONWEALTH INTERNATIONAL CORP. LTD. shows net profit of $274,850 for 1949, up 41.2% from the 1948 figure of $194,577. Shareholders increased from 3,165 holding 1,125,578 shares, to 4,470 holding 1,852,657. Total net assets, including investments at quoted market value were up from $3,890,999 to $6,783,123.

President D. W. Partridge states that the Fund has elected to become a tax-paying investment company and the 10% tax credit allowable will be available to individual shareholders resident in Canada.

Distribution of net assets at Dec. 31 was: bonds and cash, etc. 11.15%, preferred stocks 5.71% and common stocks 83.14%.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross income†	$350,419	$202,729
Less: Expenses	51,297	†
Inc. tax res.	24,272	8,152
Net profit	274,850	194,577
Less: Dividends	273,123	176,919
Surplus for year	1,727	17,658
†Expenses ($55,122 in 1948) allocated to profits on investments.		
Earnings per Share* and Dividend Record:		
Common: Earned	$0.191	$0.198
Paid	0.19	0.18
*Based on average number of shares outstanding as calculated from dividends paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$245,180	$83,496
Investments*	6,248,664	3,899,232
Misc.	63,529	6,121
Cap. stock not pd.	86,517	......
Fixed assets†	......	988
Total assets	6,643,890	3,989,837
Accts. & tax. pay.	74,073	446
Capital stock	2,004,698	1,275,537
Invest. surplus	213,806	149,049
Paid-in surplus	4,200,247	2,511,551
Cap. stock not pd.	86,817	......
Earned surplus	64,549	53,254
*Market value	6,466,971	3,800,841
†After depr. of	......	215

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Copper and Zinc Both Look Quite Firm Despite Sharp Price Slashes on Lead

By GORDON M. GRANT

Two cuts in the price of lead in a single week which carried the New York market for this metal down from 12 to 10½ cents a lb., U. S. funds, came as quite a blow to Canadian non-ferrous metal mining circles.

Consolidating Mining & Smelting Co., New Calumet, United Keno and Buchans Mining Co. will see lead earnings prospects pared at least temporarily, by the cuts.

But fortunately for Canadian base metal mining as a whole, the situation which produced the cut in lead appears to be of limited significance. Advices from the United States are to the effect that the base metal price structure—aside from lead—is fairly strong at the moment. This was attested on Tuesday of this week when the New York market for zinc moved up a quarter of a cent a lb. to 10 cents. As most Canadian producers of lead also produce zinc, the rise in zinc naturally had an insulating effect as far as the lead drop was concerned.

To copper producers such as Hudson Bay Mining & Smelting, Waite Amulet, Normetal Mining Corp., and Quemont which produce zinc as a by-product of copper mining—and produce no lead—the lift in the price of zinc meant a definite improvement in earnings prospects.

Devaluation a Factor

Slashes in the price of lead apparently represent "delayed action" from devaluation. Western Germany, Japan, Yugoslavia and even others are reported to have been undercutting the lead market in the United States ever since the United Kingdom pound was cut last September.

Imports of lead into the United States in 1949 totaled 275,241 tons. However, imports for the four months October-January inclusive have been at a rate of about 322,500 tons a year or roughly 47,000 tons greater than the 1949 total. Present demand hadn't proved to be great enough to absorb increased supplies of foreign lead which have lately been running at record levels.

American Metal Market describes the situation as follows:

"Offerings of metal at a discount by outside suppliers resulted in . . . pressure on the market. Regular suppliers, such as Mexican, Australian, Canadian and Peruvian, sell at the domestic market."

United States produces far less lead than it consumes, but the price adjustment was apparently necessary to cut down an ever-growing flow of lead to the U. S.

Zinc Supplies Dwindle

If lead is too abundant in the United States market, the same can certainly not be said of zinc and copper.

Figures issued by the American Zinc Institute late last week show that zinc stocks declined 14,618 tons in February making reduction for the first two months some 26,802 tons.

Stocks on hand at U. S. smelters at the end of February of 69,574 tons were only a month's supply. Deliveries of 72,843 tons in February were the highest since December, 1946. In addition, the government stockpile took 10,646 tons.

A marked increase in demand from large galvanizers was a factor in pushing the price higher this week.

Demand for copper has been coming forth in steady volume on the world's biggest copper market in New York. U. S. consumers' demands for March are stated to have been largely filled with bookings at last report about 88,000 tons. For the first five business days on April business, bookings averaged 3,280 tons.

Imports of refined and blister copper into the United States in January were approximately at the same level as a year previously.

With the 10% premium on U. S. funds, Canadian producers continue to realize substantial profits from production of lead as well as from zinc and copper. In the United States, efforts are being made to secure subsidies by quarters which claim metal prices are far too low. But there is widespread domestic opposition to the United States providing metal subsidies.

Macassa Upswing Partly Mystery

A sharp upswing occurred in shares of Macassa Mines early this week, but the management was rather at a loss to explain it.

"Our mine is in excellent shape . . . developments are very satisfactory as outlined in our annual report," President R. A. Bryce informed The Financial Post, explaining that a 'phone call to the mine had failed to reveal anything of a spectacularly new character.

In financial circles the upswing had been credited to sensational new ore disclosures, but Mr. Bryce stated that there was no news of this character.

OIL PRODUCTION

Simmons Area Drillers Now Nearing Completion

From Our Own Correspondent

CALGARY — Coming days should give a pretty fair idea how the big bet made by Eastern and Western Canada oil interests in oil acreage in the Simmons area is going to pay off.

Triad Leases, Selburn Oils, Garnet Oils, Garrison Oils, Polaris and others have a great stake in drilling in this lush area in association with established Redwater producers, Royalite Oil and Pacific Petroleums.

A quarter section in section 34 (southeast quarter) located two miles west-northwest of Imperial Simmons No. 1 and for which Alberta Government received $1,009,009 has already indicated oil success for one team: Selburn Oils (40%), Garnet Oils (25%), Garrison Oils (12.5%), Pacific Petroleums (10.0%), Polaris and others, 12.5%.

Selburn No. 2 well on this quarter has shown 161 ft. of a possible pay zone above the water table and a first potential test is expected shortly.

Selburn No. 1, a south offset, is drilling at a depth of 3,129 ft.

Triad Leases, which shares three quarter sections with Royalite (purchased for $4,042,431), has three initial wells well under way.

Royalite-Triad 4-36 in LSD 4, 36-56-21w4, is reported at 2,010 ft.

Royalite-Triad 3-36 in LSD 3, 36-56-21w4, the adjoining well site, is drilling at 610 ft.

Royalite-Triad 13-36, on another quarter section, is reported down 2,105 ft.

At the rate wells are completed in Redwater, all these wells should be finished very quickly.

* * *

Royalite Test Interesting

A well testing recently — Royalite-Socony Pekisko No. 1 in the Pekisko Hills area south of Turner Valley is understood to have shown some indications of oil.

This well, drilled to 2,830 ft., gun-perforated formation from 1,852 to 1,966 ft.

One test is stated to have returned 15 bbl. of new oil with 12 bbl. reported returned in a subsequent test.

* * *

Record Oil Output

A record daily oil output was achieved in Alberta with an average of 73,641 bbl. of oil turned out the week ended March 6, 1950. In the preceding week, an average of 71,909 bbl. had been turned out.

The Leduc-Woodbend area was the greatest producer of oil in the latest week reported, accounting for 30,668 bbl. daily with 359 wells turning out oil.

Redwater showed a yield of 26,018 bbl. daily from 270 wells while Turner Valley was next with an average of 11,591 bbl. daily from 277 wells which reported deliveries.

The Alberta side of Lloydminster gave 1,995 bbl. daily with 2,954 bbl. daily turned out by 96 wells in other areas during the week.

Gold Output Rises Province of Quebec

Big boosts in asbestos, gold, silver and cement and a pronounced decline in clay products show the changed pattern of Quebec mineral production in January, 1950, from a year earlier, according to a bulletin issued by Hon. C. D. French, Minister of Mines.

Asbestos production figures for January, 1950 were 57,173 tons (48,873 in January, 1949). Gold was 91,082 oz. (66,536), silver 352,873 oz. (202,044) and cement 270,702 bbl. (243,489). Clay products were valued at $362,650 ($396,796). Lime showed little change at 26,725 tons (26,900).

January figures for gold and silver were up slightly from December, 1949 while asbestos and lime were down a bit. Clay products and cement were down considerably, reportedly due to the seasonal drop in demand for building materials.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ISLAND MOUNTAIN MINES CO. realized a net profit of $108,556 in 1949 equal to 10.3 cents a share (7.7 cents a share in 1948).

Developments on the lower levels are quite encouraging and consideration will be given to arranging for further development in depth, President F. W. Guernsey reports.

Of 70,000 tons of ore in reserve at the end of the year, 28% were attributable to newly discovered replacement ore bodies with these reserves maintained although grade grade was lower.

PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1949	1948
Sales	$682,744	$593,595
Less: Oper. costs	599,633	539,509
Oper. profit	83,111	54,086
Add: Int. earned	11,000	9,859
Est. Cost-Aid	45,000	34,000
Prof. on equip.	420	......
Less: Deprec.	18,763	14,669
Inc. & min. taxes	*12,212	†2,308
Net profit	108,556	80,968
Less: Dividends	73,550	73,550
Surplus for year	35,006	7,418

*Inc. tax only. †Mining tax only.

Earnings per Share and Dividend Record:	1949	1948
Com.: Earned	$0.103	$0.077
Paid	0.07	0.07

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$222,150	$148,016
Cons. M. & S. shs.†	83,000	83,000
Cost-Aid	27,643	21,482
Accts. rec.	9,280	17,805
Inventories	83,807	78,046
Total curr. assets	425,880	348,349
Mtge. rec.	......	4,100
Prep. chgs.	7,228	6,742
Claims & prop.*	354,902	339,681
Plant & equip.▲	51,280	82,432
Total assets	839,290	781,304
Accts. payable	37,089	29,361
Tax reserve	10,297	......
Total curr. liab.	47,386	29,361
Capital stock	525,358	525,358
Surplus	266,546	226,585
†Mkt. value	102,500	122,250
*After depl. of	472,749	472,749
▲After depr. of	369,688	351,339
Working capital	378,494	318,988

OPERATING STATISTICS

	1949	1948
Tons milled	44,336	40,752
Average recov.	$15.40	$14.57
Ore reserves, tons	70,000	60,500
Grade ($35 gold)	$14.21	$15.79

TOBURN GOLD MINES realized a net profit of $16,739 equal to nine-tenths of a cent a share in 1949 as against a $2,401 profit a year earlier but ore reserves declined and ore results were disappointing in some areas.

Arrangements have been made with Sylvanite Gold Mines, adjoining Toburn to the west, to drift eastward into Toburn ground at the 3,750 and 5,500-ft. levels when power is available. Toburn's workings are only 2,455 ft. deep. Based on results secured in drilling, a decision will be made as to whether or not Toburn should deepen its shaft.

Although 1,355 ft. of new ore (34.5% of underground footage) was opened in 1949 against only 504 ft. or 17.4% of footage in 1948, ore reserves dropped from 51,500 tons of 0.49 oz. grade at the end of 1948 to 38,925 tons averaging 0.47 oz. gold at the end of 1949.

Vertical limits of the ore shoot on the 400-ft. level of No. 3 shaft proved of minor extent; additional work is required to locate the veins in the No. 4 vein area due to faulting while little ore is expected from the A-400 level near the east boundary as values have been erratic.

Toburn holds 356,246 shares of Beaverhouse Lake, 756,006 shares of Central Porphyry Contacts and 850,000 shares of Continental Kirkland, none of which were active in 1949.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Prod. (less mktg.)	$519,136	$496,471
Less: Oper. exps.	554,260	541,371
Net oper. loss	35,124	44,900
Less: Cost-Aid	54,971	51,180
Add: Misc. loss, net	1,638	2,264
Depr. & depl.	......	1,349
Taxes	1,470	266
Net prof. & surp.	16,739	2,401
Earned per Share	$0.009	$0.001

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$565,596	$549,456
Dom. bonds	17,000	17,000
Accts. rec.	34,841	31,731
Mat. & supplies	25,177	29,244
Total curr. assets	642,614	627,431
Prep. & def. chgs.	2,233	1,317
Invests.	46,347	46,347
Prop. & equip.▲	22,186	22,187
Total assets	713,380	697,282
Accts., etc., pay.	38,633	40,442
Accrued taxes	1,643	474
Total curr. liab.	40,276	40,916
Capital stock	658,000	658,000
Surplus	15,104	■1,634
■Deficit.		
▲After depr. & depl.	1,000,284	1,000,284
Working capital	602,338	586,515

OPERATING STATISTICS

	1949	1948
Tons milled	46,432	45,809
Average recov.	$11.18	$10.84
Ore reserves, tons	38,925	51,500
Grade ($35 gold)	$16.45	$17.15

LEITCH GOLD MINES has established values below the diabase sill comparable to those above, ore reserves are expected to increase as new lower levels are developed and "we can now look forward with confidence to a long and profitable life for the mine," President K. J. Springer states in the 1949 annual report.

Net profit for 1949 was somewhat higher at $268,854 or 9.2 cents a share (8.6 cents a share in 1948). After milling of 31,926 tons of ore during the year, reserves were somewhat lower at 122,546 tons averaging 0.689 oz. after dilution, no ore being included for the section below the diabase sill.

Shaft sinking was completed to 3,006 ft. early in 1949, four new levels down to the 19th at 2,950 ft. being established. Work was first concentrated on the 19th level with ore shoots opened in the No. 1A, 2 and 4 veins by the end of the year. The largest ore development was in No. 4 vein where two shoots were developed: 105 ft. averaging 1.117 oz. over 13.1 ft.; and 250 ft. averaging 1.672 oz. over 15.8 in.

Leitch participated to the extent of $25,781 in financing the Noland placer property on Spruce Creek, Atlin district, B.C. "Very high grade tertiary gravels exist on this property and it is expected a good profit can be made from them," Mr. Springer concludes.

Diamond drilling at the Gracie-Swansea property of Halport Mines, in which Leitch holds 746,000 shares, did not confirm surface results on either the Q17-22 or Q25 veins and underground work will be necessary to determine whether the veins, at depth, will substantiate values obtained at surface, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	$1,002,312	$959,589
Less: Oper. exp.	637,999	601,704
Net oper. earn.	364,313	357,885
Add: Sund. rev.	33,606	30,465
Est. Cost-Aid rec.	39,814	21,211
Total net earns.	437,733	409,561
Less: Def. devel.	25,384	30,509
Deprec.	64,295	58,802
Outside explor.	......	937
Res. for taxes	79,200	70,000
Net profit	268,854	249,313
Less: Dividends	233,000	233,000
Surplus for year	35,854	16,313
Earned per Share	$0.092	$0.086
Paid	0.08	0.08

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$336,837	$335,637
Accts. rec.	2,876	5,373
Est. Cost-Aid rec.	39,814	21,211
Invests. at cost*	338,255	359,204
Mat. & supplies	106,722	113,367
Total curr. assets	824,504	834,792
Partic. in Noland M. L.	25,781	......
Prep. & misc. items‡	9,439	11,964
Def. develop.	33,897	33,743
Timber rights	3,382	3,382
Mining props.	121,336	120,836
Plant & bldgs.▲	262,851	258,411
Total assets	1,281,190	1,263,128
Accts., etc., pay.	35,773	45,536
Taxes payable	41,143	62,880
Total curr. liabs.	76,916	108,416
Capital stock	545,505	545,505
Earned surplus	658,769	609,207
▲After depr. of	631,091	566,796
*Market value	226,876	272,706
‡Incl. ref. EPT	980	3,916
Working capital	747,588	726,376

OPERATING STATISTICS

	1949	1948
Tons milled	31,926	31,822
Average recov.	$31.39	$30.15
Ore reserves, tons	122,546	135,184
Grade ($35 gold)	$24.12	$24.78

Silver-Miller Day's Output Pays All March Expenses

A very rich section of high-grade ore has been opened up in the past week by Silver-Miller Mines at the 500-ft. level in a section directly below the location where high grade was mined at the 440-ft. level.

Five tons of high-grade ore extracted last week contained approximately 10,000 oz. of silver per ton, President John W. Tovell tells The Financial Post, with high grade recovered in one day covering the full month's expenses.

Silver output in March will be a lot higher than the record total of February when production amounted to 165,249 oz., including high-grade shipments, netting the company roughly $112,000. March will be by far the biggest month to date, Mr. Tovell states.

Raising is being done in the high-grade ore at the 500-ft. level and the prospects are excellent for a very large recovery of silver before the 440-ft. level is reached. Actually there is a distance of 70 ft. between the 440- and 500-ft. levels. A drill hole previously put down from the 440-ft. level returned over 5,000 oz. across eight in. at a location just 19 ft. above the 500-ft. level. It has been estimated that, allowing for dilution, approximately a half million ounces of silver may be recovered in the raise alone if the high-grade persists throughout.

According to a letter going out to Silver-Miller shareholders, estimated earnings for the six months ended April 30, 1950, will cover the initial dividend of five cents a share and will increase the working capital position quite substantially.

Government Announces Best Bids For Leases

Results of competitions to purchase leases of petroleum and natural gas rights in soldier settlement lands in Manitoba and Alberta, from Oct. 24, 1949 to Feb. 20, 1950, have been announced by the Federal Department of Resources and Development.

In number of parcels acquired, California Standard was tops with 11 near Virden, Manitoba and one just west of Rosalind. Calmont Oils secured three near Wetaskiwin, one southwest of Camrose and one southwest of Vimy. Rio Bravo was successful in bidding for three parcels, one each west of Patience, northeast of Vegreville and southwest of Vimy.

Hudson's Bay Oil & Gas acquired a parcel east of Wataskiwin and one south of Killam, while Husky Oil & Refining picked up two, one southeast of Edmonton and one southeast of Red Deer. Paul A. Rothwell got one southeast and one southwest of Ferintosh, and McCarty and Coleman bought one east and one southwest of Ferintosh.

Pacific Pete was awarded a parcel south of Edmonton, while Texaco Exploration Co. got one north of Chipman and Western Leaseholds one southwest of Duhamel. Socony Vacuum Exploration Co. was successful on one southwest of Vegreville and D. L. P. Drilling Co. acquired a parcel east of Woodbend.

Prices aren't announced.

St. Regis Lead Starts Drilling

The St. Regis Lead Mines announces that a contract for 5,000 ft. of diamond drilling has been awarded and drilling started March 13 at company's property northeast of Sault Ste. Marie, Ontario.

Plans are to put down a series of holes at 100-ft. intervals mainly from the ice of Conway Lake to around 100 ft. depth. Previous surfacework and diamond drilling partially explored a lead sulphide vein over a length of 300 ft. with "encouraging" results. At the northwest extremity of the zone where it enters Conway Lake one hole returned 3.7 ft. of core assaying 54.85% lead and 8.36 oz. silver. To the southeast 120 ft., another hole gave 1.9 ft. assaying 35.23% lead and 8.06 oz. silver. Evidence that the vein is continuous over this length is shown by its appearance in two shallow vertical shafts put down to 22 ft. It appears to widen as it enters the lake and if desired results are obtained there will be testing to a minimum depth of 300 ft.

The vein occurs in a shear zone present within the company's boundaries for more than a mile and arrangements have been made to acquire additional ground which could extend the shear another three-quarters of a mile, it is stated.

Adequate funds are on hand and assured to look after this phase of the exploration program.

OSC Options

Details of mining and oil financing arrangements have been released by the Ontario Securities Commission as follows:

AMERANIUM MINES—Default occurred in the exercising of the first installment due Jan. 20, 1950, and by mutual agreement the date was extended to Mar. 20, 1950, and each subsequent installment was extended for an additional period of 60 days. Accepted as amended filing, Feb. 28, 1950.

OSAGE OIL & EXPLORATION — By agreement dated Feb. 8, 1950, Sandra Agency received an option on 1,400,000 shares at 7 to 15c a share. Name of company changed by S.L.P. dated Jan. 17 from Thomaque Gold Mines. Authorized capital three million shares of which 1,400,411 issued (975,000 escrowed). Accepted for filing, March 1, 1950.

OLD MILL GOLD MINES—Elder Punchard Ltd. received option on 1,950,000 shares at 10 to 20c a share. If this option is exercised Elder Punchard Ltd. will receive a further option on 450,000 shares at 22½c a share and if this second option is exercised, will receive an option on a further million shares at 25 to 75c a share. Accepted as amended filing, March 2, 1950.

RICO COPPER MINES — By agreement dated March 8, 1949, Construction Finance Corp. agreed to purchase 1,735,000 shares at from 33⅓c to $1.55 a share. To date 795,000 shares have been fully paid for. Authorized capital is three million shares, all of which are issued (1,250,000 escrowed). Accepted for filing, March 4, 1950.

CUNIGOLD MINES — Amending statement filed to cover an additional report on the properties. Accepted as amended filing, March 1, 1950.

EAST LUN GOLD MINES — By agreement dated Jan. 15, 1950, R. T. Nicol received an option on a million shares at 5 to 25c a share. Authorized capital is three million shares, of which 1,200,005 issued (a million escrowed). Accepted for filing, March 7, 1950.

BASKAURANIUM MINES — By agreement dated June 27, 1949, G. Draper purchased 199,997 shares at 5c and 100,000 at 7½c. By agreement dated Jan. 26, 1950, G. Draper agreed to purchase 300,000 shares for $27,500 and received an option on 1,400,000 shares at 15 to 45c a share. Accepted as amended filing, March 7, 1950.

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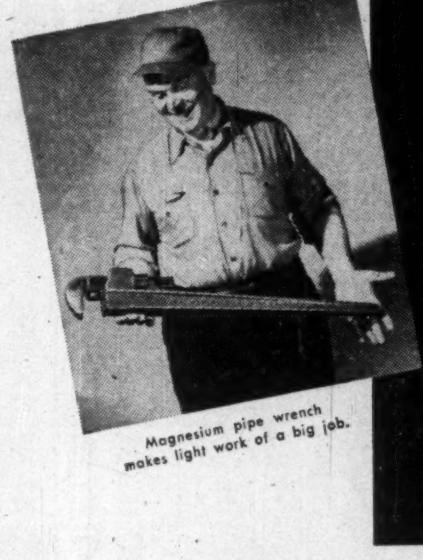

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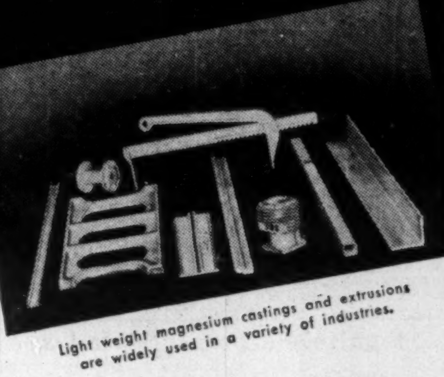

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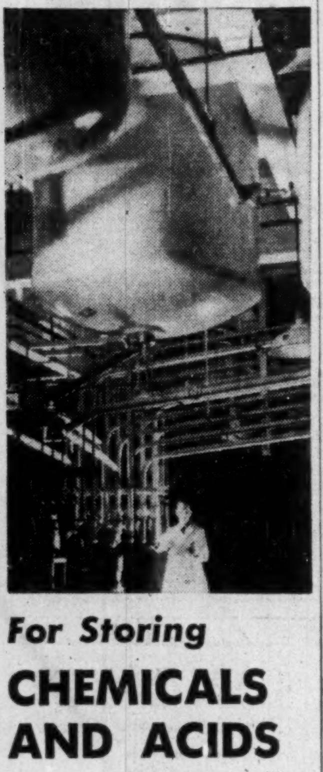

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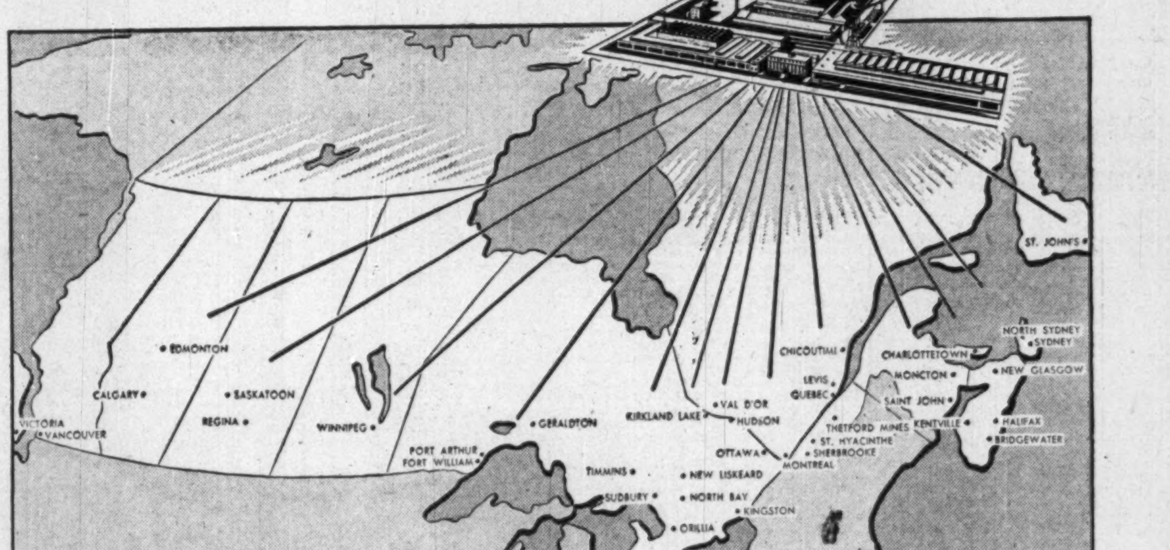

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NEW DICKENSON MINES LIMITED
PROGRESS REPORT

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The new crushing, grinding and ball mill units, together with the motors and all other accessories have now been delivered to the New Dickenson property.

Installation of this equipment is now in progress and it is expected that the present tonnage will be more than doubled during May of this year. The full capacity of the plant will be over 300 tons per day. Company officials are now determining the type and size of roasting plant necessary to get maximum recovery from the ore. In the meantime, concentrates are being stockpiled.

With mill heads averaging better than $20.00 for the month of February, production figures continue to indicate a bright future for New Dickenson. Last word from the mine reported all development faces in the North "C" and South "C" to be in good grade ore.

For further information regarding this interesting property, write or phone

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MINING INVESTMENTS

Inco's Big Mine Program Gives Long-Range Stability

A shaft sinking program greater than any other elsewhere in Canada is being carried on by International Nickel Co. in the Sudbury area, the company's annual report reveals. It demonstrates graphically that the company is leaving no stone unturned to be ready for the approaching time when working of the big low-grade Frood-Stobie open pits will be completed.

The program is outlined by the company as follows:

"The No. 2 shaft at the Murray mine is being deepened from the 1,500 level to the 3,450 level and sinking is proceeding on a three-shift basis.

"At the Levack mine, preparatory work has been done for deepening the No. 2 shaft approximately 1,050 ft. Excavation is also under way at Levack for an internal shaft with necessary permanent hoist and headframe installations.

"Development from the No. 2 shaft at Garson mine was continued on all levels below the 2,000 level. At the Frood-Stobie mine, further progress was made on the development from the No. 7 shaft and in the areas immediately below the bottom of the open pits which are to be mined from underground.

"Satisfactory progress has been made on the project for the mining of lower grade ores from the Creighton mine. A new No. 7 Creighton shaft is being sunk to a depth of approximately 2,000 ft. and a new concentrator under construction at the mine site is scheduled to be completed by 1951."

Few, if any, other mining companies in Canada other than Inco could complete such a program without a strain on financial resources. International Nickel, however, provided $18,553,851 for capital expenditures last year without difficulty. Depreciation and depletion funds gave $8,195,037. There was $1,162,077 of undistributed earnings—even with a poor year—and $2,333,300 of further payments were received for former Finland properties. Balance of $6,863,437 came from working capital which amounted to $137.4 millions at the end of the year.

• • •

Steep Rock "Ultimate"

If geophysical and drill information is correct, and iron ore bodies of Steep Rock Iron Mines are really deep seated, the Steep Rock iron range may ultimately yield a billion tons of iron ore, even more. Because Steep Rock Iron Mines only shows 71 million tons of iron ore in its reserves, many U. S. sources—more familiar with the Mesabi range—have tended to discount its importance. Mesabi deposits tend to be rather flat-lying and it is possible to know prety well in advance what can be expected. But Steep Rock is different, is the "dark horse" of the piece.

While no direct statement was made on Inland Steel results at Steep Rock, those present when the above information was given out in Toronto last week rather inferred that results being secured were probably satisfactory to the Inland people. The Steep Rock Iron Mines people welcome entry of a second company into the area. They feel it will dispel any unwarranted feeling that Atikokan is a "company town," hope that a friendly feeling of rivalry may ultimately develop between two companies operating in the Steep Rock area.

• • •

New Magnetometer

A new magnetometer just completed by Sharpe Instrument Co. looks as if it is going to be a real labor-saving device in completion of magnetometer surveys as an aid in the search for hidden ore bodies.

Instead of requiring two men to operate, like traditional models, the compass is embodied right in the new instrument but isolated from other parts which might affect it.

The new gadget, worth $450, costs only a fraction of former models which were usually imported at a cost of about $1,400.

Weight of the new model is 3 1/10 lb., just a fifth of earlier models. The instrument is mounted on a tripod which can be collapsed into a small case for carrying purposes.

The magnetometer is the development of a "new Canadian."

Toronto Engineer Gets Manitoba Iron Claims

From Our Own Correspondent

WINNIPEG — Forty iron ore claims near Neepawa abandoned by claimants who staked them more than two years ago, have been picked up by F. F. Creelman, Toronto consulting engineer.

Possible presence of iron ore was detected during the war when pilots at air training stations in Manitoba reported their compasses were always thrown out when flying over the area. James Simes, a Flin Flon bush pilot, who was instructing at the R.C.A.F. school at Neepawa, plotted the area over which compasses misbehaved and reported to engineers of mining interests.

Two companies were formed and a group of claims were staked for them. Drills probed down about 2,500 ft. on locations about four miles from Neepawa. Deposits of iron were discovered but not in commercial quantities.

Ten of the original 40 claims staked lapsed Sept. 4, 1949. Twenty-four expired Jan. 9, this year and the other six on Feb. 4. for the company, it is stated.

New Little Long Lac Maps Assist Latest Mine Boom

In response to many requests arising out of the recent increase in mining interest and activity in the Little Long Lac area, the Ontario Department of Mines has published "whiteprints" of the geologist's manuscript map of Errington township.

On a scale of 800 ft. to the inch, these whiteprints and appropriate legend are available at $2 each to cover the cost of special publication from the publications branch of the Department at Queen's Park, Toronto. Those wishing to complete the coloring may do so from data available in the publications' office.

The detailed geological survey of Errington twp., in which the town of Geraldton is located, was commenced by Dr. H. C. Horwood, but his sudden death prevented completion of the work at the time. Last summer the work was continued by E. G. Pie of the geological staff of the department and a full report on the geological survey will be made later.

Anacon Arranges Contract For Mica

A contract for sale of the company's first year's production of ground mica to New York buyers has been arranged by Anacon Lead Mine, the company announces.

Company engineers estimate that the first year's production will net $100,000 to $125,000.

Shipments are expected to start in June. From market surveys made by buyers, it is anticipated that additional capacity will have to be provided.

Sale of the valuable by-product is expected to provide a continuing source of operating profits

COMPANY REPORTS

PRUDENTIAL TRUST CO. LTD. net profit of $15,629 for 1949 was down 13.4% from the 1948 figure of $18,056. Both gross revenues and expenses were higher. Depreciation in accordance with the new regulations shows a considerable increase over 1948.

Alterations on the new office building bought in 1948 were completed and it was occupied.

Estates, trusts and agencies accounts amounted to $8,434,483 ($6,372,251 in 1948). President L. R. Champion stated that total assets including general and trust accounts increased by over $2,000,000 to $8,920,051.

	1949	1948
Liabs. to public, etc.*	$14,875	$17,144
Shareholders' equity	470,694	454,739
*Secured by:		
Mtges. & sls. agree.	1,731	60,492
Office premises	180,082	146,661
Liquid assets‡	303,756	264,730
Total	485,569	471,883
‡Includes stocks and bonds.		
Estates account	8,434,483	6,372,251
Net profit	15,629	18,056
Earnings per Share	$0.89	$1.03
Paid	0.50	0.50

Mosher Decides To Defer Deal

Mosher Long Lac Gold Mines has decided to defer its proposal to sell its Little Long Lac property to a new company, according to a letter forwarded to shareholders over the signature of M. C. Mosher, president.

Instead, Cyril W. Knight has been engaged to make an independent report on the property.

The announcement by Mr. Mosher reads as follows:

"In view of the current activity in development of the Little Long Lac Camp, your directors consider it timely to plan for the further exploration of the company's properties. An interesting proposal to provide substantial finances was received this week, but it has been decided to defer action in laying this or any other proposal before shareholders until a report on the Long Lac properties from an independent geologist has been received. Mr. Cyril W. Knight, consultant geologist, has been engaged to make such report and will start at once. When his report has been received, shareholders will be informed and consulted concerning any further major development program."

Considerable criticism was noted in Toronto financial circles last week of the proposal that the 20-claim property be turned over to a new company.

Broulan Readies Winze For Mining Operations

Broulan Porcupine Mines reports that in Jan. and Feb., 8,556 tons of ore were mined and hoisted. Production was about $94,900 and recovery averaged $11.09 per ton. This is considerably above average grade of reserves and was due in part to recovery of some gold which had been tied up in the grinding circuit.

The first or 630-ft. level in the Winze area is being prepared for cut-and-fill stoping. It is felt that a limited tonnage of profitable grade is obtainable here. Ore from stope preparation work on this level averaged 0.23 oz. gold per ton. The crosscut on the 755-ft. level has not yet reached the ore.

A 4-in. air line from the main shaft to this area has been installed. It will allow extra machines to be run there and it is expected that more than 50% of the tonnage mined will come from this source before the end of the year.

Triad Shares Ready On About March 20

According to an interim report of Tanner & Co., Calgary, Triad Leases has now been incorporated and legal details in connection with issuance of bonds and common shares to subscribers are being completed as promptly as possible.

Interim certificates should be available about March 20 when a prospectus will also be forwarded.

Contracts are stated to have been let for drilling of three initial wells on the three quarter sections purchased jointly with Royalite. Tanner & Co. are receiving daily drilling reports from Royalite and progress reports are to be forwarded participants approximately every two weeks.

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HEAD OFFICE: WATERLOO, ONT.
150

I guess we do depend on Nickel...

Aeroplane parts must have dependable strength and minimum weight. That's why Nickel alloys are used. In the engine, landing gear and all through the ship Nickel alloys are found. And in the galley, the hostess prepares the food on surfaces made of bright, sanitary Nickel alloys.

Exhaust manifolds and other parts of radial engines have to stand up under the corroding action of hot exhaust gases. Nickel alloys do this job too.

The jet engine has developed only as new Nickel alloys were proven able to stand up under the terrific temperatures and strains essential to jet operations.

Forty-three years of research have uncovered hundreds of uses for Nickel in the United States and other countries. Now Nickel exports bring in millions of U.S. dollars yearly. These dollars help pay the wages of the 14,000 Nickel employees and also help pay Canadian railwaymen, lumbermen, iron and steel workers and other men and women making supplies for the Nickel mines, smelters and refineries.

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"... in fact we couldn't make them fast enough!"

says C. H. MacBain

Manager, Appliance Sales Division
Canadian Westinghouse Company Limited

This Westinghouse advertisement appeared as a four-color, full-page ad in Nov. 15 Maclean's last year. 57% of the men and 69% of the women who read the issue recalled seeing this advertisement, according to Starch Magazine Readership Service.

Every advertisement of a quarter page or more in every issue of Maclean's is now checked by Starch Magazine Readership Service. This important service, introduced into Canada a year ago, is valuable in gauging the effectiveness of individual advertisements as well as indicating the strength of the medium.

Mr. MacBain writes: "You might like to know that we have good grounds to believe that our advertising in Maclean's last Fall has paid off well.

"Starch ratings should normally show a close relationship with sales. In this case, the *exceptionally high interest* of Maclean's readers in this four-color Westinghouse advertisement has paralleled a big demand for these models . . . in fact, we couldn't make them fast enough at the peak of the season!"

A MACLEAN-HUNTER PUBLICATION

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